Headquarters U.S. Air Force

Integrity - Service - Excellence

SOURCE SELECTION TRAINING

U.S. AIR FORCE

Briefer:

Date: March 31, 2008

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Purpose

Purpose of this source selection training

is to deliver deliberate and consistent training and support to Air Force Source Selection Teams.

OVERVIEW

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Overview

- **Introduction to Air Force Source Selection**
  - **Federal Acquisition Regulation (FAR) & Air Force FAR Supplement (AFFARS)**
  - **Ethics and Procurement Integrity**
  - **AF Source Selection**
    - Key Participates, Organization, Roles and Responsibilities
    - Source Selection Process Overview

- **Early Acquisition Activities**
  - **Planning for the Acquisition, Assign Key Personnel**
  - **Requirements Document, Market Research, Dialogue with Industry**
  - **Risk Assessment**
  - **Acquisition Plan (AP)**
  - **Acquisition Strategy Panel (ASP)**

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Overview

- **Pre-solicitation Activities**
  - **Draft Request For Proposal (DRFP)**
  - **Source Selection Techniques**
  - **Section M—Basis for Award and Evaluation Criteria**
  - **Section L and Attachments—Instructions to the Offerors**
  - **Source Selection Plan (SSP)**
  - **Request for Proposal (RFP) Release**
- **Prior to Receipt of Proposals**
  - **Source Selection Tools and Training**
  - **Final Questionnaire**

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Overview

- **Evaluation Activities**
  - **Safeguarding Source Selection Information FAR 2.101**
  - **Administrative Review of Proposals**
  - **Quick Look**
  - **Exchanges and Evaluation Notices (ENs)**
  - **Mission Capability (MC) Technical and Risk Evaluation**
  - **Past Performance Evaluation**
  - **Cost/Price Risk Evaluation**
  - **Cost/Price Evaluation**
  - **Contracting Evaluation**
  - **Competitive Range Briefing**

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Overview

- Additional Evaluation Activities
  - Release of Interim Ratings
  - Discussion with Offerors
  - Clearance
  - Request for Final Proposal Revision (FPR)
  - Final Proposal Evaluation
- Final Decision Briefing
- Documentation Requirements
  - Proposal Analysis Report (PAR)
  - Source Selection Decision Document (SSDD)
- Debriefings
- Summary

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INTRODUCTION TO AIR FORCE SOURCE SELECTION

Federal Acquisition Regulation (FAR) and Air Force FAR Supplement

Ethics and Procurement Integrity

Air Force Source Selection

The FAR

(Federal Acquisition Regulation)

And Other Regulations

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Federal Acquisition Regulation

- **Armed Services Procurement Act of 1947 and Federal Property and Administrative Service Act of 1949 gave authority for federal agencies to purchase goods and services by negotiations.**
- **The Federal Acquisition Regulation (FAR) System is in accordance with the requirements of the Office of Federal Procurement Policy Act of 1974 (Pub. Law 93-400), as amended by Pub. Law 96-83.**
- **FAR was issued as Chapter 1 of Title 48, Code of Federal Regulations.**
- **Purpose: FAR System is established for the codification and publication of uniform policies and procedures for acquisition by all executive agencies.**

Federal Acquisition Regulation

- **FAR Guiding Principles**
  - **Vision—deliver best value product or service on a timely basis while maintaining public's trust and fulfilling public policy objectives.**
  - **Federal Acquisition System will …**
    - Satisfy customer—cost, quality, and timeliness of delivered product or service by:
      - Maximizing use of commercial products/services
      - Using contractors with record of successful past performance or current superior ability to perform
      - Promoting competition
    - Minimize admin operating cost
    - Conduct business with integrity, fairness and openness
    - Fulfill public policy objectives

Federal Acquisition Regulation

- **FAR Part 15—Contracting By Negotiation**
  - **Describes policies and procedures governing competitive and noncompetitive negotiated acquisitions.**
  - **Negotiated contract is one that is awarded using other than sealed bidding procedures.**
- **FAR Part 15.002(b)—Competitive Acquisition Procedures Are Intended to:**
  - **Minimize the complexity of the solicitation, the evaluation and the source selection decision,**
  - **Foster an impartial and comprehensive evaluation of proposals**
  - **Lead to selection of the proposal representing the best value to the government**

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FAR and DFARS

- **FAR Subpart 15.1 – Source Selection Processes and Techniques**
  - **15.101—Best Value Continuum.**
    - 15.101-1—Tradeoff Process
      - (a) Appropriate when it may be in the best interest of Government to consider award to other than lowest priced offeror or other than highest technically rated offeror.
      - (b) Must have evaluation factors and subfactors and relative order of importance in RFP.
      - (c) Permits tradeoffs among cost/price and other factors
    - 15.101-2—Lowest Price Technically Acceptable (LPTA)
      - Appropriate when best value is expected from selection of the technically acceptable proposal with lowest evaluated price.

- **Defense Federal Acquisition Regulation Supplement (DFARS) 215.3—Source Selection**

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AFFARS

- **Air Force FAR Supplement (AFFARS) Part 5315—Contracting by Negotiation**
  - **AFFARS 5315.101—Tradeoff Process added Performance Price Tradeoff (PPT)**
    - Tradeoff conducted between past performance and price/cost for technically acceptable proposals (Informational Guidance at IG5315.101)
  - **AFFARS 5315.3—Source Selection and Mandatory Procedures at MP5315.3 set forth the AF Source Selection responsibilities and procedures**

The Best Value Continuum

Greater — Importance of Price — Lesser

Lesser — Technical Complexity — Greater

FAR Part 15 and AFFARS

LPTA
Lowest Price/ Technically Acceptable

Low Price

PPT
Performance/ Price Trade-Off

Tech Acceptable

Trade-off

Full Trade-Off

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AFFARS

- **Source Selection procedures mandatory for all competitively negotiated acquisitions except:**
  - Basic research and acquisitions using Broad Agency Announcements (BAAs) IAW FAR 35;
  - Small Business Innovation Research (SBIR) and Small Business Technology Transfer (SBTTR);
  - Architect-engineer services IAW FAR 36;
  - Lowest Price Technically Acceptable (LPTA), Performance Price Tradeoff (PPT) except when using PPT past performance shall be evaluated consistent with MP 5315.305 paragraphs 5.5.3 and 5.6.2.1
  - Acquisitions less than $1M; and
  - Acquisitions using Simplified Acquisition Procedures.

Regulations Applicable to Specific Acquisitions

- **DoD Directive 5000.1, The Defense Acquisition System, applies to all acquisition programs.**
- **DoD Instruction 5000.2, Operation of the Defense Acquisition System, implements these policies and procedures.**
  - **Enclosure 3 contains statutory, regulatory, and contract reporting information and milestone requirements which apply to**
    - Major Defense Acquisition Programs (MDAPs)
    - Major Automated Information Systems (MAISs)
- **Office of Management and Budget (OMB) Circular A-76, Performance of Commercial Activities**
- **Air Force Instruction 63-124, Performance-Based Services Acquisition (PBSA)**
- **Section 801, National Defense Authorization Act of 2002 required the service establish management and oversight of acquisition of services**
  - **SAF/AQ Letter dated Jun 3, 2003 Delegated Management and Oversight of Services to AFPEO/SV for all acquisitions of services (not in another PEO portfolio) in excess of $100M**
    - All service acquisitions shall contain outcome based objectives and appropriate metrics

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ETHICS
AND
PROCUREMENT INTEGRITY

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Ethics

Why Ethics Rules?

- Ensure that we perform our mission with public interest in mind.
- Uphold public's confidence in integrity of Government.

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Regulations on Ethics

- There are numerous executive orders, laws, regulations, standards and guidelines on ethics

- Sources especially important to acquisition professionals are the following:
  - Executive Order 12674, Principles of Ethical Conduct for Government officers and employees
  - Procurement Integrity Act
  - DoD Joint Ethics Regulations
  - FAR Part 3, DFARS Part 203, AFFARS Part 5303 -- Improper Business Practices & Personal Conflicts of Interest
  - FAR Part 9.5, Organizational and Consultant Conflicts of Interest

Fundamental Basis for Ethics

- **Federal employees hold their positions as a <u>public trust</u>**
  - US citizens have a right to expect that all federal employees will place loyalty to the Constitution, laws and ethical principles above private gain
  - Federal employees shall fulfill that public trust by adhering to general principles of ethical conduct as well as specific ethical standards
  - Federal employees must avoid any action that would create the appearance of violating ethical standards and laws
  - By observing these laws and ethical standards, federal employees help to ensure that citizens have complete confidence in the integrity of Government operations and programs

Employees' Responsibilities under Executive Order 12674 (as amended)

- **Employees MUST …**
  - Place loyalty to the Constitution, the laws, and ethical principles above private gain.
  - Act impartially to all groups, persons, and organizations.
  - Give an honest effort in the performance of your duties.
  - Protect and conserve Federal property.
  - Disclose fraud, waste, and abuse, and corruption to appropriate authorities.
  - Fulfill in good faith your obligations as citizens, and pay your Federal, State, and local taxes.
  - Comply with all laws providing equal opportunity to all persons, regardless of their race, color, religion

Employees' Responsibilities under Executive Order 12674 (as amended)

- **Employees MUST NOT …**
  - Use nonpublic information to benefit yourself or anyone else.
  - Solicit or accept gifts from persons or parties that do business with or seek official action from DoD (unless permitted by an exception).
  - Make unauthorized commitments or promises that bind the government.
  - Use Federal property for unauthorized purposes.
  - Take jobs or hold financial interests that conflict with your government responsibilities.
  - Take actions that give the appearance that they are illegal or unethical.

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Conflict of Interest

- **Conflict of Interest -- Mandatory Disqualification**
  - **You may not participate personally & substantially (e.g., make a decision, give advice, make a recommendation) in any government matter that would affect the financial interests of:**
    - You, your spouse, or your minor child
    - Your general partner
    - An organization in which you are serving as an officer, director, trustee, general partner or employee, OR
    - An organization with which you are negotiating for employment, or have an arrangement for future employment

Conflict of Interest

- **Conflict of Interest -- Discretionary Disqualification**
  - **Your supervisor may disqualify you from participating in a government matter that affects the financial interests of:**
    - A member of your household
    - A relative with whom you have a close personal relationship
    - An organization with which you are an “active participant” (such as committee chairperson)
    - A company with which you have an off-duty business relationship
    - An organization in which you served within the last year as an officer, director, trustee, consultant, contractor or employee
    - An organization in which your spouse is currently serving as an officer, director, trustee, consultant, contractor or employee

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Conflict of Interest

- **Conflict of Interest -- Discretionary Disqualification**
  - **Balancing Test: In above situations, supervisor should allow employee to participate in the matter only if supervisor determines that government's need to have that employee participate in the matter outweighs the appearance problems that would result**
  - **Contracting officer and supervisor who makes this judgment must seek legal advise, review and coordination on decision**

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Conflict of Interest

- **Conflict of Interest – Stock**
  - **Federal employees may not work on any government matter (e.g. source selection) that affects the financial interests of a company, if they (their spouse or child) own stock in the company**
    - Exception: if value of stock owned by you, your spouse or child in all the companies involved in the matter is $15,000 or less
- **The Source Selection Authority (SSA) must be advised on any Conflict of Interest Issues—Either disqualification or retention decisions**

Procurement Integrity Act

- **Procurement Integrity Act (FAR 3-104)**
  - **Prohibition on disclosing procurement information – Ban applies to:**
    - Current Federal employees
    - Former Federal employees
    - Individuals such as contractor employees who are currently advising the government regarding the procurement
    - Individuals such as contractor employees who have advised the government regarding the procurement but are no longer doing so
  - **Prohibition on obtaining procurement information other than as provided by law**
    - Ban applies to everyone including Federal and contractor personnel

Procurement Integrity Act

- **Requires agency official (officer, employee, member of the uniformed services) to report employment contacts by or with a competing contractor**
  - **Promptly report the contact in writing to the employee's supervisor and to the designated ethics official, AND**
  - **Either:**
    - Reject the possibility of employment, OR
    - Disqualify himself or herself from further personal and substantial participation in the procurement until the agency has authorized the employee to resume participation in the procurement on the grounds that:
      - The company the employment contact was with is no longer a bidder or offeror in the procurement, OR
      - All discussions between the employee and the company regarding possible employment have terminated without an agreement for employment

Procurement Integrity Act

- **A one-year ban on accepting compensation from the contractor on acquisitions over $10M**
  - Applies to people serving on a source selection such as the Contracting Officer (CO), Program Manager (PM), SSA, members of the Source Selection Evaluation Team (SSET), etc.
  - Can apply regardless of whether one retires, resigns or separates from government
  - Applies to accepting compensation as an employee, officer, director or consultant of the contractor
  - Ban does *not* apply to accepting compensation from any division or affiliate of a contractor that does not produce "the same or similar products or services" as the entity of the contractor that is responsible for the contract the employee was involved in (such as a commercial division of the contractor) (FAR 3.104.3(d)(3))

Procurement Integrity and Ethics Summary

- All source selection participants and advisors must review, fully understand and adhere to these ethical standards and laws
- Never risk compromising the integrity of a source selection
- Refer all ethics questions and concerns to the contracting officer and legal
- Ask yourself if a reasonable person who knew the relevant facts may think that the law or ethical standards had been violated
- Avoid even the appearance that you are violating the law or any ethical principle
- Remember -- any violations may subject you to administrative, civil or criminal penalties
- Each person shall sign a Source Selection Non-Disclosure Agreement.

Contact the CO and Legal if you have questions

AIR FORCE SOURCE SELECTION

AF Source Selection – Key Participants

- **Source Selection Authority (SSA)**
- **Source Selection Advisory Council (SSAC) Chairperson**
- **Source Selection Evaluation Team (SSET) Chairperson**
  - **Mission Capability Team Chief**
  - **Performance Confidence Assessment Group (PCAG) Chair**
  - **Cost/Price Team Chief**
- **Contracting Officer (CO)**
- **Note Restrictions:**
  - **Senior Leaders—AFFARS 5315.303(b)**

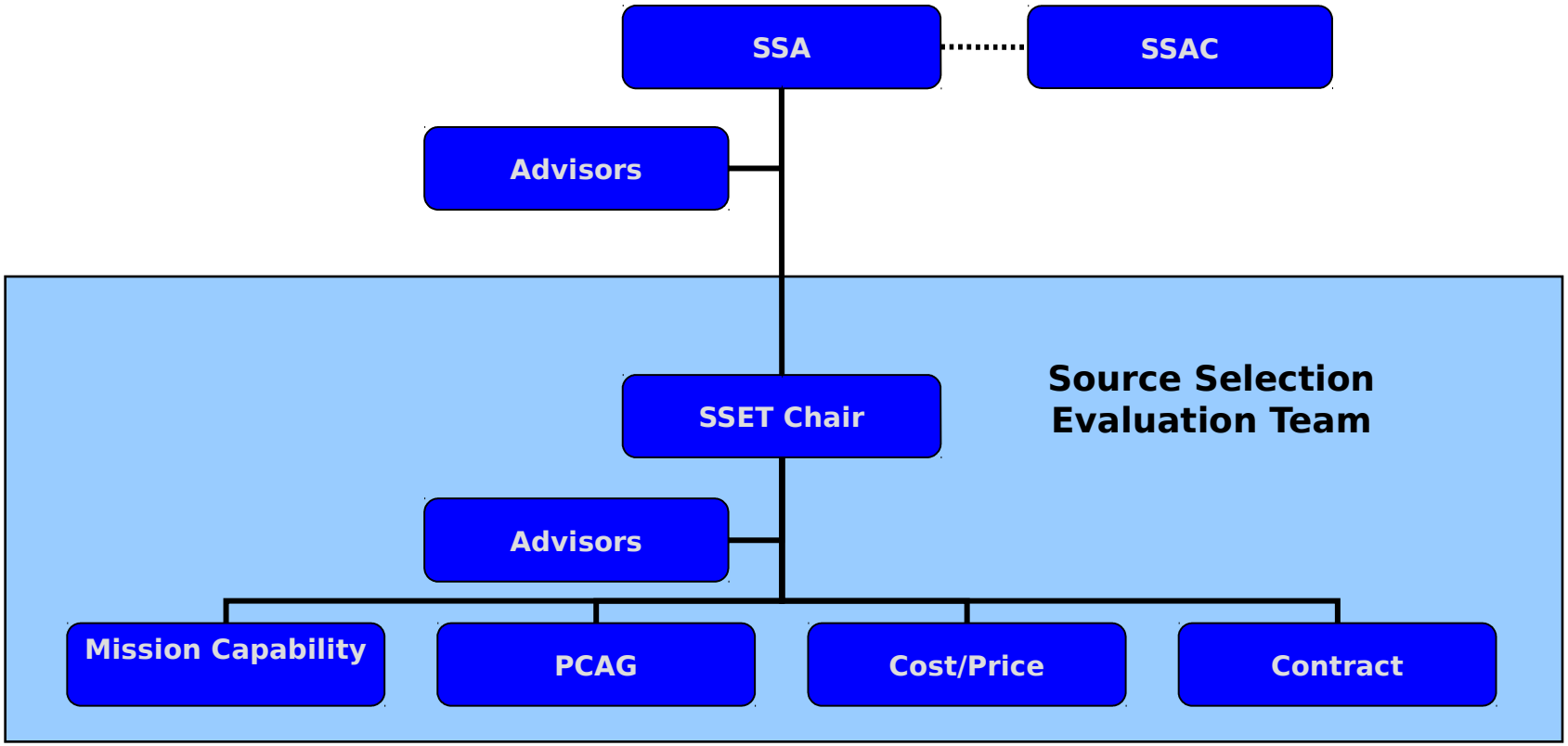
AF Source Selection – Key Participants

- **SSA Designations (AFFARS**

SSA Designations	$10M and below	Greater than $10M*
Non-space ACAT I	CO	ASAF(A)
Space ACAT I	CO	USECAF
ACAT II and III	CO	PEO **
AFPEO/CM Acquisitions	N/A	PEO ***
Other Contracting	CO	****

* Delegable to no lower than the CO.
** PEOs often designate Source Selection Authority.
*** Generally, AFPEO/CM is the Source Selection Authority for services acquisitions >$100M or A-76 acquisitions involving 300 or more positions. For services acquisitions not in a PEO portfolio, see other contracting.
**** Except for AFMC, the SSA is the Wing Commander or MAJCOM/DRU two-letter director responsible for the requirements. Delegation of SSA is authorized.

Source Selection Organization



SSA Roles and Responsibilities

- **Source Selection Authority (SSA)**
  - Responsible for proper and efficient conduct of source selection IAW mandatory procedures.
  - Appoint chairpersons for SSET and SSAC when used.
  - Establish team and ensure team membership remains consistent for duration of selection process.
  - Ensure all involved in source selection are knowledgeable of policy/procedures for properly and efficiently conducting source selection.
  - Ensure no senior leader is assigned to or performing multiple leadership roles in the source selection.
  - Ensure all are briefed and knowledgeable of law regarding unauthorized disclosure of source selection information.)

SSA Roles and Responsibilities

- **Source Selection Authority (SSA)**
  - Ensure all persons receiving source selection information are instructed to comply with standards of conduct and sign the Source Selection Non-Disclosure Agreement.
  - Approve the Source Selection Plan (SSP) before release of RFP.
  - Determine if award without discussions is appropriate
  - Establish competitive range, approve entering discussions, and approve release of Evaluation Notices (ENs)
  - Select the source whose proposal offers best value
  - Document decision in Source Selection Decision Document (SSDD)

SSAC Chairperson Roles and Responsibilities

- **Source Selection Advisory Council (SSAC) Chairperson**
  - Subject to SSA approval, appoint SSAC members and request additional assistance from other governmental sources such as Secretariat, HQ USAF, or from joint service members.
  - Ensure all SSAC members are knowledgeable of their responsibilities
  - Review the SSP and any revision prior to SSA approval.
  - Convene SSAC meetings as requested by SSA
  - SSAC shall review the evaluation of the SSET to ensure their accuracy, consistency, and supportability and shall provide advice, analysis, briefings, and consultation as requested by the SSA.
  - Shall offer a source selection recommendation for the SSA's consideration

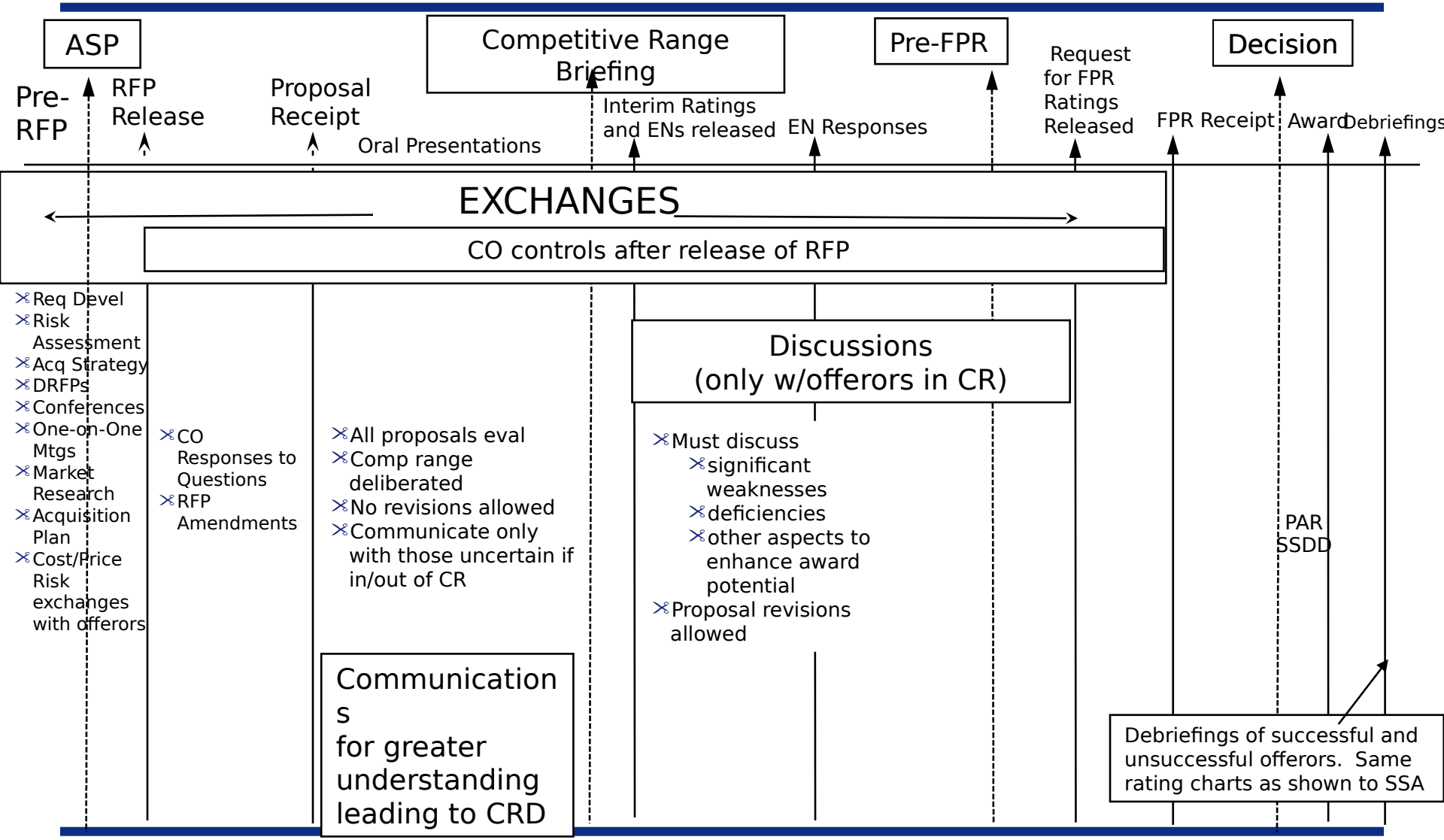
SSET Chairperson Roles and Responsibilities

- **SSET Chairperson**
  - Subject to SSA approval, appoint SSET members including PCAG & chair
  - Establish PCAG for all source selections > $100M
  - Ensure personnel, resources, time assigned to the source selection reflect the complexity of the acquisition.
  - After SSP is approved, approve personnel changes and document in an addendum.
  - Ensure SSET members are knowledgeable of their responsibilities including details on how the evaluation is to be conducted BEFORE any proposal is reviewed.
  - SSET shall prepare and maintain SSP
  - Establish effective communications with requiring office
  - Ensure proposals are evaluated on only the criteria in the Request for Proposals (RFP) Section M
  - Review ENs and recommend SSA approve release
  - Ensure team membership remains same for all discussions with offerors
  - Prepare the PAR for acquisitions > $100M and sign
  - Prepare the SSDD for the SSA
  - Participate in debriefings to offerors
  - If no SSAC, offer a source selection recommendation to the SSA

CO Roles and Responsibilities

- **Contracting Officer (CO)**
  - Ensure required approvals are obtained and contract clause requirements are met before non-government personnel are allowed to provide source selection support (CO must have copy of agreement in file as required by FAR 9.505-4)
  - Manage all business aspects of the acquisition
  - Ensure procedures exist to safeguard source selection information (FAR 3.104)
  - Approve access to or release of source selection information before and after contract award (FAR 3.104-4)
  - Maintain source selection evaluation records
  - Ensure that requests for delegations are completed and documented in file
  - Release RFP after approval of business clearance and SSA approved SSP
  - Single point of contact for inquires from actual or prospective offerors
  - Control exchanges with offerors after receipt of proposals
  - Approve release of ENs if designated this authority by the SSA in the Source Selection Plan
  - Assist SSET chairperson with preparation of the PAR and SSD
  - Obtain contract clearance before contract award
  - Ensure unsuccessful offerors are debriefed and debriefing is

Source Selection Process Overview



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EARLY ACQUISITION ACTIVITIES

Acquisition Planning, Key Personnel

Requirements Documentation, Market Research, Dialogue with Industry

Risk Assessment

Acquisition Plan

Acquisition Strategy Panel (ASP)

ACQUISITION PLANNING AND KEY PERSONNEL

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Acquisition Planning

- **Agencies shall perform acquisition planning and conduct market research for all acquisitions in order to promote and provide for –**
  - Acquisition of commercial items or non-developmental items to the maximum extent practicable
  - Full and Open Competition to extent practicable
- **Planning is to ensure Government meets needs in the most effective, economical, and timely manner.**
- **Acquisition planning should begin as soon as the need is identified.**

Key Personnel Assigned

- **Assign SSET Chairperson, Mission Capability Team Chief, PCAG Chairperson, Contracting Officer, and Cost Team Chief**
  - **Source Selection experience, rank/grade, and acquisition experience important in these positions**
  - **Key participants in the acquisition planning process**
  - **Early participation ensures each person knows requirements, understands strategy, and assist in preparing the request for proposal (RFP) instructions and evaluation criteria**

REQUIREMENT DOCUMENTS

Requirements Documents

- **Document is the basis for informing offerors what the Government's technical requirements are for a given acquisition**
  - **Defines functional/performance/other requirements that the acquisition is to satisfy.**
  - **Includes criteria for verification of requirement satisfaction and acceptability.**
- **Forms baseline for offeror/contractor to develop their proposal.**
- **Serves as the legal basis for contract formation and execution.**

Foundation of the RFP

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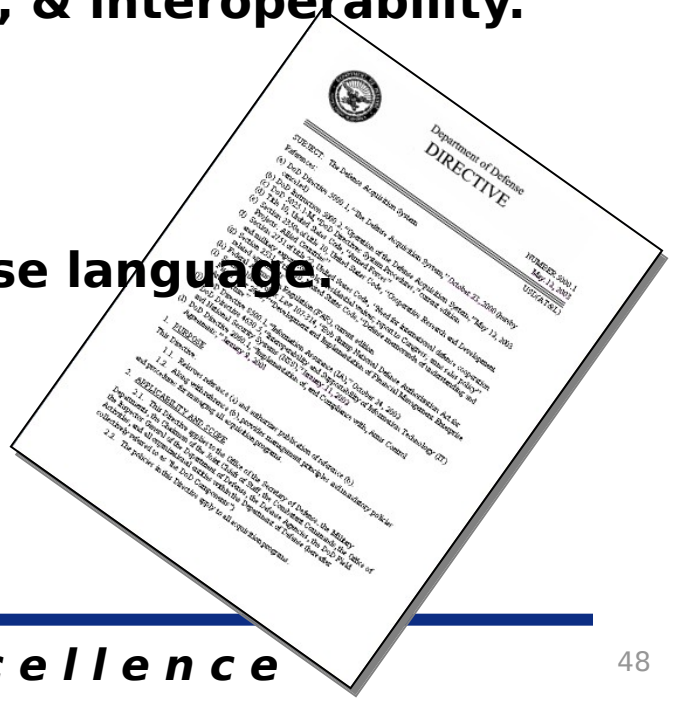
What is the policy?

DoD Directive 5000.1, paragraph E1.16
Performance-Based Acquisition

- **Use performance-based strategies & contractual language to:**
  - **Maximize competition, innovation, & interoperability.**
  - **Enable flexibility.**
  - **Reduce cost.**
  - **Improve life cycle support.**
  - **Task contractor in clear and concise language.**


Department of Defense
DIRECTIVE

Performance-Based Service Contracts

- **Air Force Instruction 63-124**
  - **Implements AF Policy Directive 63-1, Capability-Based Acquisition System, by directing performance-based procedures for developing requirements, acquiring services, and managing service acquisitions in the AF.**
  - **Applies to all AF service acquisitions > Simplified Acquisition Threshold (FAR 2.101) with exceptions listed in FAR 37.102(a)(1).**
  - **Performance Work Statement (PWS)**
    - Defines requirements in terms of results rather than the method of performing the work.
    - Cite reference directives by specific process/procedure (e.g. paragraph or chapter) rather than the entire publication.

Requirements Documents

- **Types of requirements documents**
  - **Product**
    - Capability documents, concept of operations, operational architecture (user).
    - System Requirements Document (SRD), Technical Requirements Document (TRD), technical architecture (acquirer).
    - System and segment specifications, design component specifications, system architecture (developer).
  - **Program and process**
    - Statement of Objectives (SOO), Statement of Work (SOW), Work Specification (WS), Performance Work Statement (PWS), Performance Requirements Document (PRD).

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MARKET RESEARCH

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Market Research

- **Market Research**
  - FAR 2.101 definition—Market Research means collecting and analyzing information about capabilities within the market to satisfy agency needs.

- **Purpose of Market Research**
  - Arrive at the most suitable approach to acquiring, distributing, and supporting supplies and services. (FAR 10.000)

- **Objectives of Market Research**
  - Determine applicable business practices
  - What is available commercially,
  - Obtain industry input on government requirements and acquisition strategy.

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Market Research

- **Prepare a brief description of the requirements**
  - **Can be as simple as 1 or 2 sentences**
  - **Should be outcome oriented**
  - **Market Research will help develop statement further**
- **Members talk/visit with contractors/vendors to discuss issues/questions/topics**
- **Repeat as needed**
- **Document details in market research report**

Market Research

- **Use the results of market research to—**
  - Determine if sources exist capable of satisfying the agency's requirements
  - Determine if commercial items or, to the extent commercial items suitable to meet the needs are not available, non-developmental items are available
  - Determine extent to which commercial or non-developmental items could be incorporated at the component level
  - Determine practices of firms such as warranties, maintenance and packaging, and marking of commercial items
  - Ensure maximum practicable use of recovered materials and promote energy conservation and efficiency
  - Determine whether bundling is necessary and justified (See FAR 7.107)
  - Determine whether consolidation is in the best interest of the Gov't

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DIALOGUE WITH INDUSTRY

Dialogue with Potential Offerors

- **Conduct open and frank discussions with potential offerors before receipt of proposals**
  - Examples include market research, one-on-one sessions, industry days, issuances of technical materials by electronic media, pre-solicitation notices, Requests for Information (RFI), Draft RFP (DRFP), Presolicitation or Preproposal Conferences, and site visits
  - Early involvement with applicable industry sector is highly encouraged from date of requirement identification through the date of RFP release—FAR 15.201
  - Avoid disclosing proprietary information or creating potential unfair competitive advantage or biased judgment

Most-Probable-Cost Analysis

- **Exchanges with Industry or Potential Offerors**
  - **During solicitation development conduct detailed exchanges or deliberations between government and potential offerors regarding program cost estimates and the methods of estimating these costs (Cost Model)**

Applicable to ACAT Programs entering SDD using a Cost Reimbursement or Fixed-Price-Incentive contract

RISK ASSESSMENT

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Risk Management

- **Risk--measure of future uncertainties in achieving program performance goals and objectives within defined cost, schedule and performance constraints (Risk Management Guide for DoD Acquisition (Aug 2006)).**

- **Risks have three components:**

  - A future root cause (yet to happen), which, if eliminated or corrected, would prevent a potential consequence from occurring,
  - A probability (or likelihood) assessed at the present time of that future root cause occurring, and
  - The consequence (or effect) of that future occurrence.

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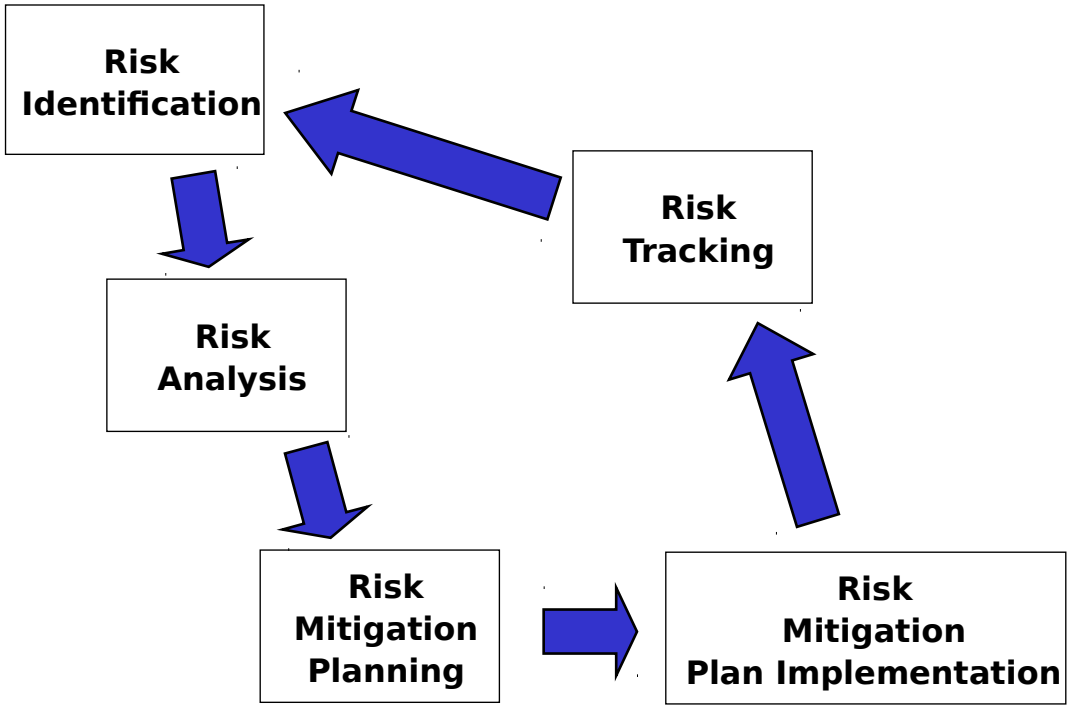
DoD Risk Management Process



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Risk Assessment

- **AFFARS MP5315.3—Source Selection team shall determine extent of risk analysis necessary to support acquisition.**

- **Information Guidance Paragraph 4.3.1 says it is prudent to perform some form of Risk Assessment for all competitive acquisitions to:**

  - Identify high-risk areas
  - Determine discriminators for source selections, and
  - Identify incentive focus areas.
  - Subfactors need to be kept to a minimum and will result in a more efficient source selection
  - After the government's initial look, obtain industry input on the Risk Assessment results
  - Risk Assessment results should be briefed at the ASP

Example: Risk Assessment Summary

LOW RISK MODERATE RISK HIGH RISK

Probability	(LOW) Negligible	(MINOR) Minor	(MODERATE) Moderate	(SIGNIFICANT) Serious	(HIGH) Critical
Level 5 91-100% High					
Level 4 61-90% Significant					2
Level 3 41-60% Moderate				12	
Level 2 11-40% Minor		1, 3, 5, 6	4, 7		13
Level 1 0-10% Low			8	9, 10, 11	

Consequences

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Risk Assessment

- **The risks should be clearly linked to the requirement**
- **If there is a high risk, the source selection team should:**
  - Ensure RFP requires the offeror to address the risk and provide any mitigation strategies in their proposal.
  - Ensure evaluation criteria include evaluation of these risks and mitigation strategies.
  - Strongly consider including oversight of the high risks and mitigation strategies in post award/incentive structure.
- **Obtain Industry Input on the Risk Assessment Results**
- **Brief the Risk Assessment As a Part of Acquisition Strategy Panel Briefing**

ACQUISITION PLAN

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Acquisition Plan (AP)

- **DFARS requires a written Acquisition Plan for—**
  - Acquisitions for development (FAR 35.001) when total cost of all contracts for the acquisition program >$10M.
  - Acquisitions for production or services with total cost of all contracts >$50M or $25M or more for any fiscal year; and
  - Any other acquisition considered appropriate by the department or agency.
- **DFARS does not require written plans for—**
  - Final buy out or one-time buy
- AFFARS requires an AP for acquisitions >$5.5M (AFFARS 5307.104-92)

Acquisition Plan (AP)

- **AFFARS 5307.104-91 sets forth procedures for:**
  - **Life Cycle Management Plan (LCMP), Commodity Acquisition Management Plan (CAMP), and Integrated Program Summaries (IPS)**
    - LCMP required for all new ACAT I and II non-space related programs
    - ACAT Programs falling under purview of OSD may utilize acquisition strategy documents required by OSD to fulfill LCMP requirements.
    - For ACAT III programs, LCMP/SAMP (Single Acquisition Management Plan) may be prepared at the discretion of the MDA (Milestone Decision Authority
    - For space related program, an IPS shall be prepared for all new programs under the purview of NSS 03-01.
    - AS (Acquisition Strategy)/LCMP/CAMP shall include all required elements of a written acquisition plan (AP)
  - **For Approval Requirements see AFFARS 5307.104-91(b).**
    - LCMP approval authority has authority to waive the requirement to prepare a LCMP. However, the LCMP approval authority does not have authority to waive requirement for a written acquisition plan (see deviation procedures in FAR 1.4, as supplemented).

Interagency Services Acquisition

Acquisition Plan (AP)

- **Written Acquisition Plans (APs) should address the contents—FAR 7.105, DFARS 207.105**
  - **(a) Acquisition Background and Objectives**
    - (1) Statement of need.
    - (2) Applicable conditions
    - (3) Cost
    - (4) Capability or performance
    - (5) Delivery or performance-period requirements
    - (6) Trade-offs
    - (7) Risks
    - (8) Acquisition streamlining
  - **(b) Plan of Action**
    - (1) Sources
    - (2) Competition
    - (3) Source-selection procedures
    - (4) Acquisition considerations
    - (5) Budgeting and funding
    - (6) Product or service descriptions

Acquisition Plan (AP)

- **Plan of Action (Cont)**
  - (7) Priorities, Allocations, And Allotments.
  - (8) Contractor Versus Government Performance.
  - (9) Inherently Governmental Functions.
  - (10) Management Information Requirements.
  - (11) Make Or Buy.
  - (12) Test And Evaluation.
  - (13) Logistics Considerations.
  - (14) Government-furnished Property (GFP).
  - (15) Government-furnished Information.
  - (16) Environmental And Energy Conservation Objectives.
  - (17) Security Considerations.
  - (18) Contract Administration.
  - (19) Other Considerations.
  - (20) Milestones For The Acquisition Cycle.

Acquisition Plan (AP)

- **AFFARS 5307.104-91(c) states:**
  - (1) For programs under the purview of **DoDI 5000.2**, the AS/LCMP/CAMP shall include all required elements of a written acquisition plan in accordance with **FAR 7.105**, as supplemented. The AS/LCMP/CAMP approval authority determines required content and coordination of AS/LCMP/CAMP, subject to law and higher regulation(s) (see **FAR 7.1** as supplemented). For additional guidance see **Defense Acquisition Handbook** Chapter 2 and the **LCMP Guide**.
  - (2) For space related programs, **NSS 03-01** outlines required content and coordination of the IPS. The IPS is a collection of documents used by Independent Program Assessment Team to evaluate a program and includes the Acquisition Strategy.

ACQUISITION STRATEGY PANEL (ASP)

Acquisition Strategy Panel

- **Acquisition Strategy Panel (ASP)—AFFARS 5307.104-90**
  - **Program Manager/CO shall conduct ASP for**
    - ACAT programs
    - Commodity Strategy Official (CSO) acquisitions
    - Acquisitions in the AFPEO/CM portfolio
    - For Other Contracting acquisitions, ASPs required when written AP required.
      - ASP chairperson may establish streamlined ASP procedures for acquisitions <$5M
  - **ASP minutes prepared by program manager or CO and approved by ASP chairperson**
  - **ASP chairperson has authority to waive an ASP**
  - **See AFFARS 5307.104-90(b) for ASP Chairperson**

Acquisition Strategy Panel

- **Areas to address during an ASP at the SAF/AQ Level**
  - Program Overview (include milestone chart of overall program)
  - Funding Profile
  - Market Research
  - Major areas of SOO/SOW
  - Key Performance Criteria
  - Risk Assessment and Mitigation
  - Systems Engineering Planning
  - Contract Type/Contract Line Item Number (CLIN) Structure/Pricing Structure
  - Incentives (tied to performance metrics)
  - Sustainment Strategy
  - Special Contract Provisions
  - Contract Schedule
  - Evaluation Criteria with weighting (tied to risks and significant discriminators)
  - Source Selection Organization
  - Any known OSD concerns
  - Requested Delegations and Waivers

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PRE-SOLICITATION ACTIVITIES

Draft Request for Proposal (DRFP)

Source Selection Techniques

Section M (Basis for Award and Evaluation Criteria) and Section L (Instructions to Offerors)

Mission Capability
Cost/Price Risk (If used)
Past Performance
Cost/Price

Source Selection Plan

DRAFT REQUEST FOR PROPOSAL (DRFP)

Draft Request For Proposal (DRFP)

- **MAJCOM or SSA May Require DRFP**
  - **Develop DRFP consistent with acquisition strategy and draft source selection plan**
  - **May be provided incrementally as sections are available —PRD, SOW, etc.**
  - **Sections L and M must be Issued in the DRFP**
    - SSA may require review and approval before issuance in DRFP
  - **Request industry comments**
  - **Consider industry comments and make changes as appropriate**
  - **Publish and maintain record of the comments and the government's response**

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What is an RFP?

Formal document used by the Government in acquisitions

- **To communicate the Government's requirements to industry, and**
- **To solicit proposals from industry to satisfy those requirements**
- **Becomes the contract**

Solicitation Uniform Contract Format

Part I -- The Schedule

A Solicitation/contract form
B Supplies or services and prices/costs
C Description/specifications/statement of work
D Packaging and marking
E Inspection and acceptance
F Deliveries or performance
G Contract administration data
H Special contract requirements

Part II -- Contract Clauses

I Contract clauses

Part III -- List of Documents, Exhibits, and Other Attachments

J List of attachments

Part IV -- Representations and Instructions

K Representations, certifications, and other statements of offerors or respondents
L Instructions, conditions, and notices to offerors or respondents
M Evaluation factors for award

SOURCE SELECTION TECHNIQUES

Source Selection Techniques

FAR Part 15 - Competitive negotiated acquisition

- **Lowest Priced Technically Acceptable (LPTA)**
- **Performance Price Trade-off (PPT)**
- **Full Trade-off (FTO)**

Lowest Price Technically Acceptable (LPTA) Process

- Appropriate when best value is expected from selection of technically acceptable proposal with the lowest evaluated price
- Past Performance (PP) does not have to be an evaluation factor
- Tradeoffs are not permitted
- Proposals are evaluated for technical acceptability but not ranked using non-cost/price factors

Performance Price Trade-off (PPT) Process

- **PPT can be used when it is unnecessary to distinguish levels of technical merit among the proposals to make an award decision**
- **Like LPTA, proposals are evaluated for acceptability**
- **Tradeoffs can only be made between:**
  - Price/cost and
  - Past performance

Full Trade-Off (FTO) Process

- **FTO is used when it is in the best interest of the Government to consider award to other than the lowest priced offeror or other than the highest technically rated offeror.**

- **This process permits:**
  - Tradeoffs among cost or price and non-cost factors
  - Allows the Government to accept other than the lowest priced proposal
  - Best combination of technically superior, low risk proposals that also have a history of favorable past performance
    - As long as perceived benefit of a higher priced proposal merits the additional cost

LPTA Factors & Ratings

- **Technical Acceptability**
  - **Acceptable**
  - **Reasonably susceptible of being made acceptable**
  - **Unacceptable**
- **Price**
  - **Reasonableness**
- **RFP Requirements**
  - **Terms and Conditions (Ts & Cs)**
  - **Certifications & Representations, etc.**

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PPT Factors & Ratings

- Technical Acceptability
  - Acceptable
  - Reasonably susceptible of being made acceptable
  - Unacceptable
- Past Performance Evaluation
  - Substantial Confidence
  - Satisfactory Confidence
  - Limited Confidence
  - No Confidence
  - Unknown Confidence
- RFP Requirements (Ts & Cs, Certs & Reps, etc.)
- Price
  - Reasonableness

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FTO Factors & Ratings

- **Mission Capability Technical Rating**
  - **Blue** - Exceptional
  - **Green** - Acceptable
  - **Yellow** - Marginal
  - **Red** - Unacceptable
- **Past Performance**
  - **Substantial Confidence**
  - **Satisfactory Confidence**
  - **Limited Confidence**
  - **No Confidence**
  - **Unknown Confidence**
- **RFP Requirements (Ts & Cs, Certs & Reps, etc.)**
- **Mission Capability Risk Rating**
  - **Low**
  - **Moderate**
  - **High**
  - **Unacceptable**
- **Cost/Price Risk (In certain cases)**
  - **Low**
  - **Moderate**
  - **High**
- **Cost/Price**
  - **Price Reasonableness**
  - **Cost Realism (In certain cases)**

Source Selection Types

Best Value Source Selections (vs. Lowest Price)

- **Lowest Price/Technically Acceptable (LPTA) - 2 Steps**
  - Technically Acceptable
  - Lowest Price among Tech. Acceptable
- **Performance/Price Tradeoff (PPT) - 2 Steps**
  - Technically Acceptable
  - Trade-off between Past Perf. & Price
- **Full Trade-Off (FTO) - 1 Step**
  - Trade-off between all 4 Factors

	Price	Mission Capability / Tech Acceptability	Past Performance	MC Risk
Low price	✓			
LPTA	✓	**Go/No-Go**		
PPT	✓	**Go/No-Go**	✓	
FTO	✓	✓	✓	✓

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Section M

Basis for Award and Evaluation Criteria

&

Section L

Instructions to Offerors

L and M Development Process

- **Prepare Section M (Evaluation Criteria)**
  - **Most important section to the source selection**
  - **Most difficult to develop**
  - **Establish clear relationship between acquisition documents**
    - Requirements set forth in SOO, SOW, or PRD
    - High or Moderate Risk Items identified in the Risk Assessment
    - Factors and Subfactors chosen for evaluation must track back to Requirements and Risk Assessment
- **Section L (information required to be submitted by offerors to be evaluated against criteria specified in Section M)**
  - **Refer frequently to Sec M when creating Sec L; the two sections must track**
  - **Ask for only data needed to evaluate proposals**

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Specifics for LPTA

- **Section M of the solicitation shall state that award will be made to the lowest evaluated price offer that meets or exceeds all the minimum mandatory criteria in the solicitation**
  - **Specify all requirements of acceptability**
  - **No tradeoffs are permitted even if a proposal exceeds the minimum requirements**

- **Section L should instruct offerors to submit specific information needed to evaluate against the criteria in Sec M**

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Specifics for PPT

- **Section M of the solicitation shall state the basis for contract award. This is a competitive best value source selection in which the competing offerors' past performance history will be evaluated on a basis…(choose one of the following), cost or price considerations.**
  - **Significantly more important than,**
  - **Approximately equal to,**
  - **Or significantly less important than**
- **Section M shall state the evaluation criteria**
  - **Evaluate Technical, then Rank by Price, Assess Performance on all (or specified number) OR**
  - **Rank by Price, Evaluate Specified Number Technically, Assess Performance**
- **Section L should instruct offerors to submit specific information needed to evaluate against the criteria in Sec M**

Specifics for
Full Trade-Off Source Selection

Sec M—Evaluation Factors

- **Mission Capability (Technical Rating and Risk Rating)**
- **Past Performance**
- **Cost/Price Risk (Applies to ACAT programs in SDD)**
- **Cost/Price**
  - State whether all evaluation factors other than cost/price, when combined, are:
    - Significantly more important than cost or price;
    - Approximately equal to cost or price; or
    - Significantly less important than cost or price.
    - However cost/price will contribute substantially to the selection decision--FAR 15.304(e) says adequate price competition if award made to best value where price is a substantial factor.
- **If trade-offs are to be considered, how trade-offs will be evaluated must be stated in RFP.**
- **Sec M must state Relative Importance of Factors and Subfactors**
  - Numerical or percentage weighting of the relative importance of evaluation factors and subfactors shall not be used (MP5315.304, para 4.4)

Section M – Basis of Award

- **Basis for Award and Evaluation Criteria (Section M of the DRFP/RFP)**
  - **General Basis for Contract Award**
    - Best Value to the Government
    - Integrated Assessment
    - Subjective judgment is implicit in the evaluation process
    - Include statement that proposal must meet all technical requirements, conform to all terms & conditions and include all required certifications

Mission Capability Factor

Section M
Evaluation Criteria
For
Mission Capability Technical Rating

Section M – Mission Capability

- **Mission Capability is called a Factor**
- **Factor is the top level of Evaluation Criteria**
  - Uniform Baseline Against Which an Offeror's Proposal is Evaluated
- **Subfactor focuses on areas of Product or Services**
  - Written in depth to communicate measures of merit used to determine how the proposal will be evaluated
  - Include specific program characteristics tied to user needs
  - Significant enough to impact Source Selection Decision
  - Expected to be discriminators
  - Relate to Significant Program Risks
- **Determine the "Discriminators"—significant aspects of an acquisition expected to distinguish one proposal from another**

Section M – Mission Capability

- **Mission Capability**
  - Subfactors normally limited to 6
    - Objective is to keep evaluation focused on discriminators
  - Subfactors should be developed as a result of risk assessment that identifies program/business/contract risks
  - Systems engineering shall be subfactor in ACAT program & all others where systems engineering effort is required
  - In acquisitions that require FAR 52.219-9, Small Business Subcontracting Plan, other than those based on LPTA, the extent of participation of small businesses and historically black colleges or universities and minority institutions in performance of the contract shall be addressed in source selection (DFARS 215.304(c)(i)).
  - Consider the purchase of capital assets manufactured in the U.S. for all major defense acquisition programs (DFARS 215.304(c)(ii)).

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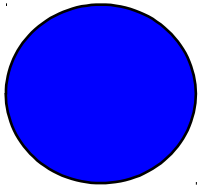
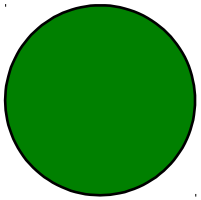
Section M – Mission Capability Technical Rating

- **Mandatory to rate at the Subfactor Level (Shall Not Roll Up to Factor)—there will not be a rating for factor level.**
- **Rated with Color Codes—Blue, Green, Yellow, Red**
- **Narrative Assessment**
  - Strengths
  - Deficiencies
  - Uncertainties

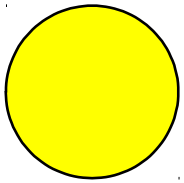
Sec M -- Mission Capability Technical Ratings



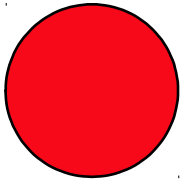
BLUE-EXCEPTIONAL: Exceeds specified minimum performance or capability requirements in a way beneficial to the government. A proposal must have one or more strengths and no deficiencies to receive a blue.



GREEN-ACCEPTABLE: Meets specified minimum performance or capability requirements. A proposal must have no deficiencies to receive a green but may have one or more strengths.



YELLOW-MARGINAL: There is doubt regarding whether an aspect of the proposal meets a specified minimum performance or capability requirements, but any such uncertainty is correctable.



RED-UNACCEPTABLE: Fails to meet specified minimum performance or capability requirements. The proposal has one or more deficiencies and is not awardable.

Sec M -- Mission Capability Technical Evaluation

Narrative Assessment for MC Technical Rating Shall Include:

- **Strength: Significant aspect of an offeror's proposal that has merit and exceeds specified performance or capability requirements in a way that is advantageous to the Government, and either will be included in the contract or is inherent in the offeror's process.**

- **Deficiency: <u>A material failure of a proposal to meet a government requirement</u>** *or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level.*

- **Uncertainty: A doubt regarding whether an aspect of the proposal meets a material performance or capability requirement. It requires additional information from the offeror to further explain the proposal before the evaluator can complete his/her review and analysis and**

Mission Capability

Section L
Instructions to the Offerors
For
Mission Capability Technical

Section L – Mission Capability

- **Sec L - Draft the Instructions to Offerors**
  - **Volumes of proposal**
  - **State how many copies are required including electronic copy**
  - **Page count of each volume**
    - State what counts and what does not count

- **Write Proposal Preparation Instructions to Offerors for Mission Capability Subfactors**
  - **Section L should track directly to the corresponding Section M "Evaluation Criteria"**
  - **Refer frequently to Sec M when creating Sec L; the two must track.**
  - **Ask for only minimum data needed to evaluate proposals in accordance with Section M**
- **Write Sec L attachments such as Past Performance Questionnaire**

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Cross Reference Matrix

SOO	WBS	Requirements Document	IMP	Risk Assessment			Risk Mitigation	Evaluation Criteria	RFP – Sections A-M														CLIN	CSOW	Technical Proposal
									A	B	C	D	E	F	G	H	I	J	K	L	M			
1.0		3.3 Training		90%	S	H	Evaluation	Subfactor 2		X											X	001	3.3	3.3
1.0		3.1 Management	1.0	40%	MO	M	Contract Clause	Subfactor 4		X													3.1	3.1
2.0		3.4 Modifications	2.0	65%	S	H	Evaluation	Subfactor 3													X		3.4	3.4
2.0		3.2.3 Breaks	2.1	55%	MO	M	IMP	Subfactor 2					X										3.2.3	3.2.3
2.0		3.2.4 Memory Units		85%	S	H	Evaluation	Subfactor 2													X	003	3.2.4	3.2.4
3.0		3.5 Engineering Data	3.0	55%	MO	M	IMP	Subfactor 1			X				X							005	3.5	3.5

Government completes major portion of matrix before release of RFP

C = Critical
S = Serious
Mo = Moderate
Mi = Minor
N = Negligible
Con = Consequence (importance)
Prob = Probability
Rat = Rating (High, Medium, or Low)

Evaluation Factors/Subfactors

- **Answer the following questions:**
  - Is this subfactor or component of a subfactor critical to program success?
  - In Section L, did I tell the offeror what I need to see?
  - In Section M, did I tell the offeror that I was going to evaluate this component?
  - Can the offeror exceed our criteria? How? Is it clear to the offeror?
  - Is there benefit to the government of a response that exceeds our requirement/criteria?
  - Did I check to make sure that this component isn't covered anywhere else in the factors?

- **Source Selection Evaluation Team Chairperson has responsibility for quality of the evaluation factors and subfactors**

- **Will be released as part of the RFP**

Mission Capability Risk

Section M
Evaluation Criteria
For
Mission Capability Risk

Section M – Mission Capability Risk Rating

- **MC Risk Rating focuses on weaknesses associated with an offeror's proposal**
- **Assessed at the Mission Capability Subfactor Level**
  - Shall not roll up to mission capability factor level
- **Considers potential for disruption of schedule, increased cost, or degradation of performance, the need for Government oversight and the likelihood of unsuccessful contract performance**
- **Rated Low, Moderate, High or Unacceptable**
- **Narrative Assessment**
  - Weakness: A flaw in the proposal that increases the risk of unsuccessful contract performance.
  - Significant Weakness: A flaw that appreciably increases the risk of unsuccessful contract performance.
  - Deficiency: Combination of significant weaknesses that increase the risk of unsuccessful contract performance to an unacceptable level.
  - For any weakness identified, the assessment should address the offeror's proposed mitigation (if available) and why that approach is or is not acceptable.
  - Any strength identified in MC Technical Rating shall be assessed as to whether the offeror's proposed approach would likely cause an associated weakness which may impact schedule, cost or performance

Mission Capability Risk Ratings

Low*	**Has little potential to cause disruption of schedule, increased cost, or degradation of performance. Normal contractor effort and normal government monitoring will likely be able to overcome any difficulties.**
Moderate*	**Can potentially cause disruption of schedule, increased cost or degradation of performance. Special contractor emphasis and close government monitoring will likely be able to overcome difficulties.**
High*	**Likely to cause significant disruption of schedule, increased cost or degradation of performance. Extraordinary contractor emphasis and rigorous government monitoring may be able to overcome difficulties.**
Unacceptable	**The existence of a significant weakness or combination of weaknesses that is very likely to cause unmitigated disruption of schedule, drastically increased cost or severely degraded performance. Proposals with an unacceptable rating are not awardable.**

* At the option of evaluators/teams, a plus "+" rating may be used as an option when risk is

Mission Capability Risk

Section L
Instructions to the Offerors
For
Mission Capability Risk

Section L—Mission Capability Risk

- **Include instructions to the offerors to identify aspects of their proposal they consider to have potential for disruption of schedule, increased cost, poor performance, the need for increased government oversight, and/or the likelihood of unsuccessful contract performance.**
  - Classify each risk
  - Provide rationale for risk rating
  - Describe impact of each identified risk
  - Suggest a realistic “work-around” or risk mitigation for identified risks

Past Performance Factor

Section M
Evaluation Criteria
For
Past Performance

Section M – Past Performance

- **Assessed using Recent and Relevant Past Performance**
  - **Mission Capability Subfactors**
  - **Cost/Price Factor**
- **Evaluated as a measure of the Government's confidence in the offeror's ability to successfully perform as proposed based on demonstrated record of performance**
- **Rated at the Past Performance Factor Level**
- **Narrative Assessment shall include:**
  - **Observations which support the performance confidence assessment.**

Performance Confidence Assessments

Substantial Confidence	**Based on the offeror's performance record, the government has a high expectation that the offeror will successfully perform the required effort.**
Satisfactory Confidence	**Based on the offeror's performance record, the government has an expectation that the offeror will successfully perform the required effort.**
Limited Confidence	**Based on the offeror's performance record, the government has a low expectation that the offeror will successfully perform the required effort.**
No Confidence	**Based on the offeror's performance record, the government has no expectation that the offeror will be able to successfully perform the required effort.**
Unknown Confidence	**No performance record is identifiable or the offeror's performance record is so sparse that no confidence assessment rating can be reasonable assigned.**

Section M—Past Performance

- **<u>Consider</u> the following when developing Past Performance Portion of Section M**
  - **Determine the relative importance of the Past Performance Factor. Normally, the past performance factor should be a significant evaluation criteria.**
  - **Govt Will Assign a Performance Confidence Assessment to the Past Performance Factor IAW AFFARS MP5315.3, Paragraph 5.5.2.2, Table 3.**
  - **State how we will evaluate the proposals in Section M**

Section M—Past Performance

- **Recency Length for Past Performance must be stated in Section M**
  - **Consider product being acquired in determining how many years to go back in looking at Past Performance**
  - **Time should not be longer than 3 years except for unique items**
  - **Recency Example: Each relevant contract shall have been performed during the past 3 years from the date of issuance of this solicitation.**

Section M—Past Performance

- **Relevancy definitions must be in DRFP/RFP**
  - PCAG must determine how to define Relevancy
  - Definitions may be varying degrees OR single definition for Relevancy. Team must realize it can not evaluate more or less relevant performance on single definition.

- **Consider the following when developing Relevancy definition:**
  - Relevant does not mean same or identical
  - Relevant means similar to instant acquisition to provide indicators of performance. Consider such things as product or service similarity, complexity, contract type, contract dollar value, program phase, division of company, major or critical subcontractors, teaming partners and joint ventures.
  - How will the PCAG determine relevancy for individual contract—prime, joint ventures, subcontractors?

Section M—Past Performance

- **Sample of Relevancy Definitions**

Very Relevant

Past/present performance effort involved essentially the same magnitude of effort and complexities this solicitation requires.

Relevant

Past/present performance effort involved much of the magnitude of effort and complexities this solicitation requires.

Somewhat Relevant

Past/present performance effort involved some of the magnitude of effort and complexities this solicitation requires.

Not Relevant

Past/present performance effort did not involve any of the magnitude of effort and complexities this solicitation requires.

Section M—Past Performance

- **Determine if more recent and more relevant performance will have greater impact on performance confidence assessment.**
- **Define adverse past performance in section M**
- **Define how quality of performance will be rated**
- **PCAG may consider the offeror's Past Performance in aggregate, in addition to effort (contract) by effort basis.**

Past Performance Factor

Section L
Instructions to the Offerors
For
Past Performance

Section L – Past Performance

- **<u>Consider</u> the following when developing PP Portion of Section L and Attachments**
  - **Ask offerors for information on a number of on-going contracts or contracts with performance completed not more than X years.**
    - Keep number as small as possible to give accurate review of past performance
    - Recommend 5 to 10 from prime and 5 from each major and/or critical subcontractor
    - Include PP information format as Attachment to DRFP/RFP

Section L – Past Performance

- **Encourage offerors to provide information on problems encountered during performance and corrective actions.**
- **Past Performance Information (PPI) of commercial, State and Local Gov't similar to these requirements will be evaluated**
- **Consider what kind of Past Performance Information is needed to evaluate offeror's team members--subcontractors, teaming partners and joint ventures**
- **Govt may use Past Performance Information obtained from other sources**
- **Past Performance Information is proprietary Source Selection Information therefore prime contractor must submit subcontractors consent**

Section L—Past Performance

- Identify which contracts are relevant indicators of performance for Factors/Subfactors
- Page count limitation for Past Performance Volume or referenced contract fact sheets, determine what to exclude from page count
- Prepare the questionnaire if offerors will send questionnaires to POCs. Attach the questionnaire to DRFP.

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Section L – Past Performance

- **If offerors are to send out questionnaires, Section L should include Instructions and Cover Letter.**
- **Decide if Past Performance Volume will be required earlier than Proposal.**

Section L—Past Performance

- **Questionnaire**
  - Purpose of Questionnaire is to obtain information on past and present performance
  - Structure Questionnaire to obtain helpful information about the offeror's performance
  - Make Questionnaire easy to complete but avoid Yes/No answers
  - Questions should elicit information that relates To Mission Capability Subfactors and Price/Cost Factor
  - Questionnaire must define a scale for rating performance
    - For consistency purposes during the evaluation, consider using CPARs Performance Rating Definitions for the Questionnaire

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Contractor Performance Assessment Report (CPAR)

- **Definition: a report that assesses a contractor's performance, both positive and negative, on a given contract during a specific period of time**
  - **Compiled by Government**
  - **Rebuttal by Contractor as appropriate**

- **Purpose: ensures source selection teams have a detailed assessment of contractors' past performance**
  - **Data is current and available**
  - **Past Performance Information Retrieval System (PPIRS)**

Cost/Price Risk

Section M--Cost/Price Risk

- **Cost/Price Risk Factor (AFFARS MP5315.304, paragraph 4.4.1.4)**
  - **This evaluation factor shall be used for ACAT, SDD phase programs that use a Cost Reimbursement or Fixed-Price Incentive type contract structure**
  - **Cost/Price Risk rating assesses the degree to which an offeror's cost proposal compares with the Government's best estimates of the offeror's Most Probable Costs (MPC)**
  - **All MPC Components must be defined and specified in Section M**
  - **The MPC is developed using the Program Office Estimate (POE) and an analysis of each offeror's unique proposal**
- **Cost/Price Risk shall be a significant evaluation factor**
- **May be used with SSA approval for non-ACAT acquisitions if a Cost-Reimbursement or Fixed-Price Incentive type contract is used**

Applicable to ACAT Programs entering SDD using a Cost Reimbursement or Fixed-Price-Incentive contract

Section M--Cost/Price Risk

- **Most Probable Cost (MPC)**
  - **MPC estimate is the government estimate of the costs to acquire specified goods and/or services. (MP5315.3, para 4.4.1.4.1)**
    - Includes costs that will be included as part of the contract
    - May include any other costs that will be incurred by the government in performance of the acquisition program
    - For ACAT 1 programs, the MPC must include an analysis of the uncertainties inherent in acquisition
      - From those related to the Cost estimating methods chosen
      - To those associated with the technical and programmatic assumptions of the program
  - **MPC is based upon an analysis of each offeror's unique proposal IAW FAR 15.404-1**
  - **Section M—Specify all components that make up the aggregate government MPC**

Section M--Cost/Price Risk

Low	**Little difference exists between the offeror's proposed cost/price and the government's best estimate of the offeror's most probable cost. Cost growth and/or other anomalies related to cost/price are unlikely to occur and any potential impact is manageable.**
Moderate	**Some difference exists between the offeror's proposed cost/price and the government's best estimate of the offeror's most probable cost. Cost growth and/or other anomalies related to cost/price may occur and the potential impact may require special attention.**
High	**Significant difference exists between the offeror's proposed cost/price and the government's best estimate of the offeror's most probable cost. Cost growth and/or other anomalies related to cost/price is likely to occur and the impact may be unmanageable.**

Section L—Cost/Price Risk

Section L
Instructions to the Offerors
For
Cost/Price Risk

Section L—Cost/Price Risk

- **Offeror shall provide an analysis of uncertainty as part of the cost/price volume if the Cost/Price factor utilizes the MPC estimating process for an ACAT I program**
  - **Cost uncertainty analysis will be conducted that allows a range (or distribution) of possible costs developed based on statistical techniques**
  - **Cost uncertainty analysis will quantify this uncertainty caused by the variance in cost estimating methods, as well as uncertainty in the technical, schedule, performance and programmatic inputs**
  - **The application of various statistical techniques, inherent in uncertainty analysis will result in a mathematically correct MPC, a level of confidence, and the confidence levels for all other costs**
  - **Offerors shall refer to and use the "Air Force Cost and Risk Uncertainty Handbook" as a guide when preparing this analysis**

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Cost/Price Factor

Section M
Evaluation Criteria
For
Cost/Price

Section M – Cost/Price

- **Step 1 – Determine Importance of the Cost/Price Factor relative to other evaluation factors. State whether all evaluation factors other than cost/price, when combined, are:**
  - Significantly less important than cost or price;
  - Approximately equal to cost or price; or
  - Significantly more important than cost or price.
  - However cost/price will contribute substantially to the selection decision—(FAR 15.403-1(c)(1) says price is based on adequate price competition if award will be made to the offeror whose proposal represents the best value where price is a substantial factor in the source selection.)
  - If specific trade-offs are to be considered, then how trade-offs will be evaluated must be stated in RFP.

Section M – Cost/Price Factor

- **Step 2 – Determine Cost/Price Evaluation Criteria and Methodology – driven by contract type**
  - **Reasonableness, Realism**
  - **Price Analysis, Cost Analysis**
- **Step 3 – Determine Content of the Cost/Price Evaluation – also driven by contract type**
  - **Contract Line Item Number (CLIN) prices, cost elements, rates, Other Government Costs (OGCs), Life Cycle costs, etc**
- **Step 4 – Determine Data You Will Need**

Cost/Price Factor

- **Cost/Price (assuming competition)**
  - **Mandatory Factor used to determine price Fair & Reasonable**
    - May consider “affordability”
  - **Evaluation technique & data required is determined by contract type (FAR 15.4) Must evaluate all CLINs, all years**
    - Fixed Price (FP) – Price Analysis (FAR 15.404-1(b)) using Pricing data
    - Cost Type – Realism assessment (FAR 15.404-1(d)) using cost analysis techniques (FAR 15.404-1(c)) on cost & price information
      - Realism assessment requires calculation of Probable Cost
    - Incentive – may require Realism assessment
    - Mixed – may require price analysis on FP CLINs and Realism on Cost CLINs
    - Consider whether you will use Government costs in best value decision
  - **Use of Independent Cost Estimate (ICE) -- Required for A-76 Studies**

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Cost/Price Realism

- **Cost Realism Analysis**
  - **Government will Derive Probable Cost -- Shown to SSA**
    - May Differ From Proposed Cost
    - Include Credited Savings for Cost cutting initiatives
    - Include Government Incurred Costs
    - Use input from MC review, DCMA, DCAA, contractor's approach
    - Independent Cost Estimate not basis of probable cost adjustments; may be "starting point" for review to compare innovations
  - **Government's Estimate of Probable Cost/Price to be Used for Evaluation Purposes**
    - Will Address Total Anticipated Performance Period
  - **Realism Evaluation- Does Proposal Reflect …**
    - A Clear Understanding of Requirements?
    - A Sound Approach Toward Satisfying Requirements?
  - **Unrealistic Estimates Will Be Challenged**
    - Offeror Must Justify Numbers

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Cost/Price Realism

- **Cost/Price (assuming competition)**
  - **Release budget?**
    - Yes – Must evaluate quantity/quality of deliverables for given $
    - No – Must have quantifiable deliverable for offeror to price
  - **Price analysis is preferred approach**
    - Should also be conducted when Cost Analysis is used

Cost/Price

Section L
Instructions to Offerors
For
Cost/Price

Cost Information Needed

- **Determine what cost information will be required to perform the Section M cost/price evaluation**

- **Sources of information may include:**
  - **Offerors (requested in Section L)**
    - Contract Type drives the cost information you may request from offerors
  - **Other Government Agencies, such as DCAA, DCMA, Other Services, NASA, etc.**
  - **Market Research**
  - **Program Office**
  - **Independent Government Estimate (IGE)**

Cost Information Needed

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FP, ID/IQ Contracts

- **Offeror Information (Section L):**
  - **CLIN prices**
  - **Loaded Labor Rates (e.g. T&M, ID/IQ)**
  - **Pricing matrices (e.g., ID/IQ)**
  - **Prices of materials and supplies**
  - **Payment terms**
  - **Economic Price Adjustment terms**
  - **Etc.**
- **"Other than cost or pricing data" requires approval from SAF/AQC (AFFARS 5315.402(a))**
- **If CO determines there isn't adequate price competition, "cost or pricing data" may be required (FAR 15.403)**

Cost Information Needed

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Cost Reimbursable Contracts

- **Offeror Information (Section L):**
  - **All contract costs by cost element**
  - **Labor rates & applicable burdens**
  - **Subcontract Proposal Evaluation, if >$650k**
  - **Subcontract Proposal, if >$11.5M or 10% of contract value**
  - **Status of Contractor Accounting System**
  - **Completed Cost Model**
  - **Reliability & Maintainability data (e.g. failure rates, repair data)**

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Cost Information Needed

Cost/Price Information from other sources

- Contract Price history
- Program cost/sales histories
- Wage determinations
- Technical reports
- Market prices for same/similar items
- OGC information, e.g. facilities, range support, etc.
- Forward Pricing Rate Agreements/Recommendations
- Program office estimate (Budget)
- Operation and Support (O&S) Data
  - Concept of Operations (CONOPS)
  - Maintenance Concept (ICS, CLS, Organic, Mix)
  - Organic Personnel Requirements
  - # years of ramp-up, steady state
- Published Price Indices
- Catalog prices/Price lists
- Parametric models

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Evaluation Matrix

Sample

Source Selection
Factor Evaluation Matrix

Sample Source Selection Factor Evaluation Matrix

MISSION CAPABILITY					
Subfactor 1		**Subfactor 2**		**Subfactor 3**	
Technical Rating	**Risk Rating**	**Technical Rating**	**Risk Rating**	**Technical Rating**	**Risk Rating**
PAST PERFORMANCE* ***Assessed at subfactor, rated at factor level**					
PRICE/COST					

Integrated assessment of above factors and subfactors will be made in order to determine "best value" to the government.

Factor Evaluation Matrix Including Cost/Price Risk

COST/PRICE RISK					
MISSION CAPABILITY					
Subfactor 1		**Subfactor 2**		**Subfactor 3**	
Technical Rating	**Risk Rating**	**Technical Rating**	**Risk Rating**	**Technical Rating**	**Risk Rating**
PAST PERFORMANCE* *Assessed at subfactor, rated at factor level					
PRICE/COST					

Integrated assessment of above factors and subfactors will be made in order to determine "best value" to the government.

Source Selection Plan (SSP)

Source Selection Plan (SSP)

- **SSP Mandatory for Acquisitions Covered by AFFARS MP5315.3, Paragraph 4.3.3**

- **Contents of SSP**
  - Description of Requirement
  - Acquisition Strategy including type contract, incentives contemplated, milestone demonstrations intended, special clauses, performance metrics and language supporting it as a performance based service acquisition
  - Source Selection Team
  - Presolicitation Activities—market research, draft solicitations, synopsis
  - Communications—describe process and controls, use of e-mail
  - Evaluation Factors and Subfactors
  - Schedule of Events
  - Non-Government Personnel
  - Deviations and Delegations

- **Approved by SSA Prior to RFP Release**

REQUEST FOR PROPOSAL (RFP) RELEASE

Solicitation (RFP) Release

- **SSA Authorizes CO to release the RFP**
  - **After Source Selection Plan signed and Business Clearance Approval**
- **Generally recognized as the initiation of formal Source Selection activities**
- **Procuring Contracting Officer (PCO) becomes single focal point for all exchanges with industry**
  - **Notification for Issuance of RFPs—CO shall issue concurrent with issuance of RFP for source selections or competitive negotiations in excess of $100M. Sent to appropriate AF commands and SAF/AQCK**
  - **For source selections less than $100M recommend COs send out a source selection notice of some type.**

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PRIOR TO RECEIPT OF PROPOSALS

Source Selection Tools and Training

Final Questionnaire

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Source Selection Tools

- **EZSource**
  - Developed by Aeronautical Systems Center (ASC), Wright-Patterson AFB
  - See www.pixs.wpafb.af.mil/paso/ezsource.htm for virtual demonstration
  - POC: Kerry Estes, DSN 785-5471, kerry.estes@wpafb.af.mil or
    Naomi Kump (contractor), DSN 785-5442, naomi.kump@wpafb.af.mil
- **Electronic Source Selection (ESS) tool**
  - Developed by Space and Missiles Center (SMC), Los Angeles AFB
  - See ax.losangeles.af.mil/axd/esst/download/esstool.htm to download tool
  - POC: Maj Erica Williams, DSN 633-1329, erica.williams@losangeles.af.mil
- **DecisionPoint**
  - Developed by AcqCenter, division of Integrated Data Systems (IDS)
  - See www.acqcenter.com for more information
  - POC: Bob Watts, (703) 654-9161, bob.watts@acqcenter.com
- **Fed Select**
  - Developed by CACI, 2100 Washington Blvd, Suite 3000, Arlington, VA 22204
  - See www.caci.com
  - POC: Steve Ford, (703) 486-3266 ext 1031, sford@caci.com

While detailed capabilities of the above tools vary, all the tools facilitate the creation, organization, communication, and documentation of source selection information

Prior to Proposal Receipt

- **Finalize Questionnaire if it was not attached to RFP**
  - **Questionnaire and Cover Letter will be issued soon after receipt of Proposals--unless offeror sent out**
    - Purpose of Questionnaire is to obtain information on past and present performance
    - Structure Questionnaire to obtain helpful information about the offeror's performance
    - Make Questionnaire easy to complete but avoid Yes/No answers
    - Questions should elicit information that relates to Mission Capability Subfactors and Price/Cost Factor
    - Questionnaire must define a scale for rating performance
      - For consistency purposes during the evaluation, consider using CPARs Performance Rating Definitions for the Questionnaire

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EVALUATION ACTIVITIES

Safeguarding Source Selection Information, Administrative Review, and Quick Look

Exchanges and Evaluation Notices

Evaluations

Mission Capability (Technical and Risk Ratings)
Past Performance
Cost/Price
Cost/Price Risk
Contracting

Competitive Range

SOURCE SELECTION INFORMATION, ADMINISTRATIVE REVIEW AND QUICK LOOK

Proposal Receipt

- **Source Selection Information must be safeguarded**
- **Administrative Review required By Contract Team**
  - **Proposal validity—days requested in RFP**
  - **Volume page limits enforced**
  - **Extraneous pages removed**
  - **Electronic copies submitted**
    - Appropriate number of copies
  - **Check paper copy with electronic copy**
  - **Master table of contents**
  - **Review each proposal volume page by page**
    - Erroneous material, cost data in wrong volume, incorrect assumptions, etc.
- **Proposal Data will be loaded into the Source Selection designated system**

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Quick Look

- Who submitted offers?
- Is proposal complete?
- Ensure page count limitations
- Have any exceptions to RFP requirements been noted?
  - Obvious showstoppers
- Do proposals need to be loaded into any evaluation tool?
- “Quick Look” information will be provided to the SSA

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Source Selection Information FAR 2.101

- **Any of the following information that is prepared for use by an agency for the purpose of evaluating a bid or proposal to enter into an Agency Procurement Contract, if that information has not been previously made available to the public or disclosed publicly:**
  - **Bid prices submitted in response to an agency invitation for bids, or lists of those bid prices before bid opening.**
  - **Proposed costs or prices submitted in response to an agency solicitation, or lists of those proposed costs or prices.**
  - **Source Selection Plans.**
  - **Technical Evaluation Plans.**

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Source Selection Information FAR 2.101

- Technical Evaluations or (of) Proposals.
- (Past Performance Evaluation)
- Cost or Price Evaluations of Proposals.
- Competitive Range Determinations that identify Proposals that have a reasonable chance of being selected for award of a contract.
- Rankings of Bids, Proposals, or Competitors.
- Reports and evaluations of Source Selection Panels, Boards, or Advisory Councils.
- Other information marked as “Source Selection Information – see FAR 2.101 and 3.104” based on a case-by-case determination by the head of the agency or the Contracting Officer, that its disclosure would jeopardize the integrity or successful completion of the Federal Agency Procurement to which the information relates.

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EXCHANGES AND EVALUATION NOTICES

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Exchanges and ENs

- **Types of exchanges with offerors after receipt of Proposals**
  - **Clarifications are limited exchanges when Award Without Discussions is contemplated**
  - **Communications are exchanges leading to establishment of Competitive Range**
  - **Discussions are negotiations conducted after the Competitive Range--offeror is allowed to revise Proposal**

- **Evaluation Notices (ENs) are written exchanges with offerors for purposes of Clarifications, Communications, or Discussions (AFFARS MP5315.3,paragraph 8.2)**

Types of Exchanges

Clarifications*

As needed with Award Without Discussion (AWOD)

- Adverse past performance, not previously addressed
- Past Performance Information relevance
- Minor or clerical errors

Communications*

To determine competitive range

Shall

- Adverse Past Performance Information (PPI) is determining factor in exclusion

May

- Inclusion or exclusion in Competitive Range is uncertain
- Enhance Government understanding of proposal
- Facilitate Government evaluation process
- Address ambiguities, perceived weaknesses, omissions, mistakes, etc.

Negotiations / Discussions

- Conducted with offerors in the competitive range
- Goal is to get best value
- Discuss deficiencies, uncertainties, weaknesses, and other aspects of the proposal to enhance award
- Adverse past performance information to which offeror has not had opportunity to respond
- Discuss efforts above mandatory minimums
- Conducted either orally or in writing or both
- Areas may also include issues of compliance with RFP other than evaluation factors

***Neither clarifications nor communications allow for an opportunity for proposal revision**

Evaluation Notice (EN)

- **Exchanges With Offerors**
  - **Type of exchange must be identified**
  - **ENs which result from Deficiencies in offeror's Proposal must be clearly identified to the offeror as Deficiencies**
- **Should be Specific to Individual Concern**
  - **Writing single EN for multiple topics not recommended**
  - **Crossing subfactors not appropriate**
  - **Easier to discuss, "Item Specific" issue**
- **Reviewed and approved by SSET Chair and SSA IAW SSP prior to release by the CO**

Evaluation Notice (EN) Content

- Type of EN—Clarification, Communication or Discussion
- Identify all Deficiencies
- RFP Reference is Preferable
  - Section L Paragraph that Requested Proposal Information
  - Section M Reference to Specific Factor, Subfactor
- Proposal Reference
- Summary: Description of the Issue/Question, and Specific Request for Additional Information
- Evaluator's Name (not sent to offeror)
- Offeror Response
- Evaluator Analysis of Response—Impact of Ratings, Etc.

Evaluation Notice (EN)

EVALUATION NOTICE (EN)

_____FAR 15.306(a) Clarification* **Offeror_____**
_____FAR 15.306(b) Communications* **Control#_____**
_____FAR 15.306 (c) Discussions
_____Deficiency
***Government will not accept proposal revisions as a result of Clarification or Communication exchanges**
Request for Proposal REFERENCE *(Specify Request for Proposal paragraph number, Section M and Section L reference, etc.)*

GOVERNMENT COMMENT:
Factor _____
Subfactor _____

PROPOSAL REFERENCE: *(Specify offeror's document, Proposal Volume, paragraph, and page number)*

SUMMARY: Description of issue in question and specific request for additional/supplemental information needed to clarify or correct the issue. Include references to the solicitation if necessary.

EVALUATOR: (Note: The evaluator's name should not be included on the copy sent to the offeror.)

OFFEROR RESPONSE:

EVALUATOR ASSESSMENT OF OFFEROR RESPONSE: Address impact (including impact on offeror ratings, if any) and evaluate response.

Examples of EN Summary

- **Poor EN:**
  - **Need clarification on where the risk management process was demonstrated.**
  - **“Current staffing for this task is 21 people. The proposed staffing of 9 people is inadequate.”**

- **Better EN:**
  - **Describe where risk management process was used previously and why that program is analogous to this effort.**
  - **Describe the process improvements to be implemented in order to achieve the efficiencies in personnel proposed.**

EVALUATIONS

Mission Capability

Technical Rating
&
Risk Rating

Keys to Developing Initial MC Technical & Risk Ratings

Complete the Evaluation of One Proposal Prior to Moving to the Next One

- **Ensures integrated assessment of proposal**
- **Facilitates evaluation against MC subfactor**
  - **As opposed to comparing proposals to one another**
- **More efficient as all evaluators are reviewing the same proposal**
  - **MC team members can assist each other in finding information or answering questions**

Keys to Developing Initial MC Technical & Risk Ratings

- **Evaluate only Information Contained in the Proposal**
  - **Evaluate proposal on the basis of what we asked for, not what we would like to see**
  - **Don’t expand the scope of evaluation beyond original intent**
- **Evaluate Proposals Against Evaluation Subfactors in RFP (Sections L and M)--Not Against One Another**
- **Ensure Consistent Evaluation across all proposals**

Mission Capability Technical Evaluation

- **Individual Evaluator completes analysis for their Subfactor**
  - **No collaboration with other Mission Capability evaluators**
  - **Collaboration will be at Subfactor summary level**

- **Individual Evaluator evaluates each Mission Capability Subfactor in accordance with Section M of RFP and completes Individual Analysis Worksheet**
  - **Proposed Approach evaluated as:**
    - Exceeding Requirement
    - Meeting Requirement
    - Not Clearly Meeting Requirement
    - Failing to Meet Requirement

Mission Capability Technical Evaluation

- **Evaluate the Exceeds Requirements to determine which meet the Strength definition**

- **A *strength* requires you to document all three aspects of this definition:**
  - **A significant aspect of an offeror's proposal that has merit and exceeds specified performance or capability requirements;**
  - **Advantageous to the government; and**
  - **Will be included in the contract or is inherent in the offeror's process**

- **Document the Strengths**
  - **Documentation should describe the magnitude of the benefit(s) to the Government**

Mission Capability Technical Evaluation

- **Evaluate each Failed to Meet Requirement to determine Deficiencies**
- **Deficiency: A Material Failure of a Proposal to meet a Government requirement**
- **Document the Deficiencies**

Mission Capability Technical Evaluation

- **Evaluate each item previously marked as Not Clearly Meeting Requirement and determine if it is an Uncertainty**

- **Uncertainty: A doubt regarding whether an aspect of the Proposal meets a Material Performance or Capability Requirement. It requires additional information from the offeror to further explain the proposal before the evaluator can complete his/her review and analysis and should generate the issuance of an EN.**

- **Document the Uncertainties**

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Sec M – Mission Capability Technical Evaluation

- **Mission Capability technical ratings focus on Strengths, Deficiencies, and Uncertainties in the offeror's Proposal for a Mission Capability Subfactor**

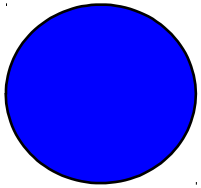
- **Narrative Assessment shall include:**
  - **Strength**
  - **Deficiency**
  - **Uncertainty**

- **Write Evaluation Notice if necessary**
- **Verify Proposal meets all minimum Technical Requirements**
- **Interface with PCAG and Cost Team**

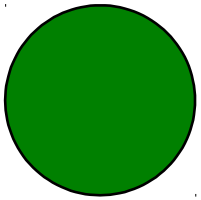
Mission Capability Technical Ratings

- **Mission Capability Team Chief or Subfactor Chief is responsible for:**
  - **Combining inputs from all MC evaluators**
  - **Reaching consensus of the evaluators on each of the Mission Capability Subfactors**
  - **Making Sure that the Subfactor Summary Level documentation clearly shows the consensus results and disposition of any Individual Evaluator's difference with the consensus**
  - **Assigning Color Rating**

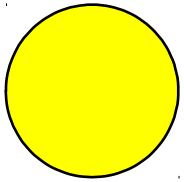
Sec M -- Mission Capability Technical Ratings



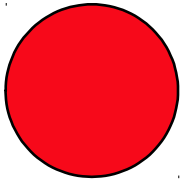
BLUE-EXCEPTIONAL: Exceeds specified minimum performance or capability requirements in a way beneficial to the government. A proposal must have one or more strengths and no deficiencies to receive a blue.



GREEN-ACCEPTABLE: Meets specified minimum performance or capability requirements. A proposal must have no deficiencies to receive a green but may have one or more strengths.



YELLOW-MARGINAL: There is doubt regarding whether an aspect of the proposal meets a specified minimum performance or capability requirements, but any such uncertainty is correctable.



RED-UNACCEPTABLE: Fails to meet specified minimum performance or capability requirements. The proposal has one or more deficiencies and is not awardable.

Mission Capability Risk Evaluation

- **Risk is assessed at the Mission Capability Subfactor level**
- **Focuses on the Weaknesses associated with an offeror's proposed approach**
- **Assessment considers potential for disruption of schedule, increased cost, degradation of performance, the need for Government oversight, and the likelihood of unsuccessful contract performance**
- **When a Strength is identified in a Mission Capability Technical Rating, assess if offeror's proposed approach would likely cause an associated Weakness which may impact Schedule, Cost or Performance (MP5.5.1.2)**

Mission Capability Risk Evaluation

- **Evaluation Worksheets and Summaries shall document:**
  - **Weakness: A flaw in the Proposal that increases the risk of unsuccessful contract performance.**
  - **Significant Weakness: A flaw that appreciably increases the risk of unsuccessful contract performance.**
  - **Deficiency: Combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level. (FAR 15.001)**
  - **Risk Mitigation proposed by the offeror.**

- **For ANY weakness identified, the Evaluator MUST:**
  - **Generate ENs for significant weaknesses, weaknesses, and deficiencies**
  - **Address the offeror's proposal for mitigation, if available and**

Mission Capability Risk Ratings

Low*	**Has little potential to cause disruption of schedule, increased cost, or degradation of performance. Normal contractor effort and normal government monitoring will likely be able to overcome any difficulties.**
Moderate*	**Can potentially cause disruption of schedule, increased cost or degradation of performance. Special contractor emphasis and close government monitoring will likely be able to overcome difficulties.**
High*	**Likely to cause significant disruption of schedule, increased cost or degradation of performance. Extraordinary contractor emphasis and rigorous government monitoring may be able to overcome difficulties.**
Unacceptable	**The existence of a significant weakness or combination of weaknesses that is very likely to cause unmitigated disruption of schedule, drastically increased cost or severely degraded**

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Mission Capability Risk Considerations / Examples

- Unproven processes
  - May be technically desirable, but could introduce program risk
- State of the art technical solution
  - May drive increased schedule, cost risk
- Example:
  - Requirement: Light weight, high strength material
  - Proposed solution: Exotic alloy
  - MC Subfactor rating “Blue” as technical requirement exceeded
  - Risk rating “High” as material is scarce and difficult to obtain

Technical & Risk: The Differences

	MC Technical	MC Risk
Focus	Does the proposed performance meet or exceed *requirements*?	What are *the risks* of meeting solicitation requirements if performed as proposed?
Issue	What is *quality of outcome*? Are there Advantages, benefits	What risks/mitigations are inherent in offeror's *approach*?
Assess-ment	Strengths Meets requirements Uncertainties Deficiencies	No weaknesses Weakness Significant weakness Deficiency
Rating	Blue Green Yellow Red	Low Moderate High Unacceptable

Analysis Worksheet

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Source Selection: _____

Evaluator: _____ **Offeror:** _____

Factor: **Subfactor:**

MISSION CAPABILITY (MC)

Component of Performance or Capability Requirement:
What is Offered:

Technical Rating

How Proposal Exceeds, Meets, or Fails to Meet Performance or Capability Requirements:
Strengths (MC): (Start narrative with "Strengths:"
Deficiencies (MC) : (Start narrative with "Deficiencies:")
Uncertainties (MC): (Areas requiring additional information)

Risk Rating)

Significant Weakness (MC): (Start narrative with "Significant weakness")
Weaknesses (MC): (Start narrative with "Weaknesses:")
Deficiencies*(MC): (Start narrative with "Deficiencies")
Mitigation (MC): (Start narrative with "Mitigation:")
Evaluation Notice Required?

***A deficiency could be a result of a significant weakness (or combination of weaknesses) that is very likely to cause unmitigated disruption of schedule, drastically increased cost or severely degraded performance.**

Subfactor Summary

___ Initial Summary ___ Pre-Final Proposal Revision Summary ___ Final Summary

Source Selection:

Author:

Offeror:

Factor:

Subfactor:

Proposal Description:

MISSION CAPABILITY (MC)

Technical Rating:

Strengths Details:

Strengths Summary:

Deficiencies Details:

Deficiencies Summary:

Uncertainties (Areas Requiring Additional Info):

RISK Rating:

Deficiencies Detail*:

Deficiencies Summary*:

Mitigation Efforts/Weaknesses Details:

Mitigation Efforts/Weaknesses Summary:

Comments:

Reviewed by:

***A deficiency could be a result of a significant weakness (or combination of weaknesses) that is very likely to cause unmitigated disruption of schedule, drastically increased cost or severely degraded performance.**

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Subfactor Summary

- Completed by subfactor chief with team concurrence
- Combines inputs from all MC evaluators
  - Compilation of subfactor analysis worksheets
- Assigns color and risk ratings
- Completed before
  - Decision to Award Without Discussions or establish Competitive Range
  - Request for Final Proposal Revision
  - Final SSA Briefing
- Subfactor summary charts are shown to offerors
  - As “interim ratings” prior to award
  - To support debriefings

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Rating Team Worksheet

OFFEROR:	☐ INITIAL EVALUATION ☐ FINAL EVALUATION

MISSION CAPABILITY

TECHNICAL RATING:

☐ BLUE (Exceptional) ☐ GREEN (Acceptable) ☐ YELLOW (Marginal) ☐ RED (Unacceptable)

NARRATIVE: [Include strengths, uncertainties, and deficiencies (material failure to meet Government requirement). Explain how proposal exceeds or fails to meet requirement. If it exceeds the requirement, explain how it benefits the Air Force.]

RISK RATING: Indicate risk rating of low, moderate, high, or unacceptable for each subfactor, if used, and include weaknesses and deficiencies. Explain how each increase of risk contributes to the rating considering the potential for disruption of schedule, increased cost, or degradation of performance:

☐ LOW ☐ MODERATE ☐ HIGH ☐ UNACCEPTABLE

Optional : ☐ LOW "+" ☐ MODERATE "+" ☐ HIGH "+"

NARRATIVE:

COST/PRICE RISK (IF USED)

RISK ASSESSMENT: (Indicate risk rating of low, moderate, high)

☐ LOW ☐ MODERATE ☐ HIGH

NARRATIVE:

PAST PERFORMANCE

ASSESSMENT:

☐ SUBSTANTIAL CONFIDENCE ☐ LIMITED CONFIDENCE

☐ SATISFACTORY CONFIDENCE ☐ NO CONFIDENCE

☐ UNKNOWN CONFIDENCE

NARRATIVE:

PRICE / COST

TOTAL PRICE / COST: $ _____

NARRATIVE:

EXCHANGES WITH OFFERORS

_____ _____ _____

SIGNATURE (Contracting Officer) SIGNATURE (Lead Technical Evaluator)

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EVALUATION

Past Performance

PAST PERFORMANCE EVALUATION

- **Read Executive Summary and PP Volume**
- **Prepare List Of Offerors**
  - **Immediately provide list to SSET Chair**
- **Hold First Interchange Meeting With SSET Chair**
  - **SSET Chair will provide list of offerors including subcontractors to SSA and SSAC**
  - **PCAG will use list to obtain PPIRS information**

PAST PERFORMANCE EVALUATION

- **Step 1 - Conduct Recency and Relevancy screening**
  - **Validate Recency**
  - **Determine Relevancy of each Contract, Task Order, or Delivery Order**
- **Step 2 - Search For additional Relevant Contracts**
- **Step 3 - Obtain Past Performance Information Retrieval System (PPIRS) Data**
- **Step 4 - Issue, follow-up, review Questionnaires. Conduct and document interviews on completed Questionnaires**

PAST PERFORMANCE EVALUATION

- **Step 5 - Rate Performance for each Offeror and Critical Subcontractors and Team Partners**
  - **Rate Performance on each Relevant Contract**
  - **Evaluate poor performance if necessary**
  - **Consolidate data for each offeror**
  - **Include a narrative portion with team's observations**

- **Step 6 - Conduct site visits if beneficial to evaluation.**

PAST PERFORMANCE EVALUATION

- **Step 7 - Perform an assessment of Performance Confidence at Factor or Subfactor as stated in Sec M**
- **Step 8 - Prepare ENs For Adverse Past Performance Information and other Past Performance issues**
- **Step 9 - Evaluate responses On ENs**
- **Step 10 - Review Performance Confidence Assessment & Observations based on additional information in response to ENs**

PAST PERFORMANCE EVALUATION

- **Step 11 - Assist other Source Selection Team Evaluators**
- **Step 12 - Review documentation and verify PP evaluation completed IAW Section M**
- **Step 13 - Prepare briefing charts for SSA/SSAC Briefings**

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Summary of Ratings: ABC Company Inc.

COMPANY	PROJECT NAME	CITATION #	SF1		SF2		SF3		SF4		C/P	
			REL	PER	REL	PER	REL	PER	REL	PER	REL	PER
			VR	E	VR	S	VR	N	R	E	VR	E
			VR	S	VR	S	VR	E	NR		VR	S
			VR	VG	VR	VG	R	VG	NR		VR	S
			VR	VG	VR	VG	R	E	R	S	VR	VG
			VR	VG	VR	VG	VR	VG	R	E	VR	VG
			R	VG	VR	VG	VR	VG	R	E	VR	VG
			R	VG	VR	VG	VR	VG	R	S	VR	VG
			VR	E	VR	E	R	VG	R	E	VR	VG
			SR	E	VR	E	VR	S	NR		VR	E
			R	E	VR	S	R	S	NR		VR	VG
			SR	VG	VR	VG	VR	S	R	E	VR	VG
			R	VG	R	VG	SR	VG	NR	VG	VR	E
			VR	VG	R	VG	SR	S	VR	VG	VR	S
			VR	S	R	S	SR	E	VR	VG	VR	VG
			VR	E	R	VG	SR	VG	VR	S	SR	VG
			VR	VG	R	VG	SR	VG	VR	VG	VR	VG
			VR	E	R	VG	SR	VG	VR	VG	VR	S
			VR	VG	VR	S	SR	S	VR	VG	VR	VG
			VR	E	VR	E	SR	VG	VR	S	R	S
			VR	VG	VR	VG	VR	VG	VR	E	VR	E
			R	VG	VR	VG	VR	VG	VR	VG	VR	VG
			R	VG	R	VG	R	S	R	VG	VR	E
			SR	VG	R	S	VR	S	R	VG	VR	VG
			VR	S	R	VG	VR	S	R	S	VR	S
			VR	S	R	VG	VR	S	R	VG	R	S

VR=Very Relevant
R=Relevant
SR=Somewhat Relevant
NR=Not Relevant

E=Exceptional
VG=Very Good
S=Satisfactory

PAST PERFORMANCE EVALUATION

- **PCAG Chairperson is responsible and accountable to the SSA for the PCAG's Rating.**
  - **Must read/review proposals, questionnaires and all PCAG member assessments to provide an integrated assessment**
  - **More, not less, PP Information is goal of the PCAG**
  - **Ensure consistent, complete and auditable rationale, fair/impartial judgment, compliance with all RFP terms/conditions, and an error free process**
  - **Brief the PCAG findings as a part of SSET to SSA/SSAC**
  - **Keep process on timeline schedule**
  - **Brief, or support, discussions with offerors if conducted**
  - **Continue to participate in interchange meetings**

Cost/Price Risk

EVALUATION

Cost/Price Risk

Cost/Price Risk Evaluation

- Assess the degree to which an offeror's cost proposal for contract line items and associated options compare with the government MPC for the same items in that specific offeror's proposal
- Cost/Price Risk evaluation is the result of comparing and contrasting each offeror's MPC (and its associated uncertainty analysis) with each individual proposal (and its associated uncertainty analysis)
- SSET must develop initial government MPC before competitive range
- SSET must adequately communicate rationale for the government's risk assessment of Cost/Price Risk factor with each offeror during the discussions period (before request for Final Proposal Revision)

Applicable to ACAT Programs entering SDD using a Cost Reimbursement or Fixed-Price-Incentive contract

Section M--Cost/Price Risk Ratings

Low	**Little difference exists between the offeror's proposed cost/price and the government's best estimate of the offeror's most probable cost. Cost growth and/or other anomalies related to cost/price are unlikely to occur and any potential impact is manageable.**
Moderate	**Some difference exists between the offeror's proposed cost/price and the government's best estimate of the offeror's most probable cost. Cost growth and/or other anomalies related to cost/price may occur and the potential impact may require special attention.**
High	**Significant difference exists between the offeror's proposed cost/price and the government's best estimate of the offeror's most probable cost. Cost growth and/or other anomalies related to cost/price is likely to occur and the impact may be unmanageable.**

EVALUATION

Cost/Price
&
Contracting

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Cost/Price Evaluation

- **Fixed Price**
  - **Evaluate for Reasonableness**
    - For a price to be reasonable, it must represent a price to the government that a prudent person would pay when consideration is given to prices in the market
    - Normally established by adequate price competition
- **Cost Reimbursement Contracts**
  - **Evaluate for Reasonableness and Realism**
    - Reasonableness—Same as above
    - Realism: Offeror's proposed cost are
      - Realistic for the work to be performed;
      - Reflective of a clear understanding of the requirements; and
      - Consistent with the unique methods of performance and materials described in the offeror's technical proposal
      - Products – Probable Cost (PC) for each offeror

Price Analysis Concepts

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Adequate Price Competition (APC) FAR 15.403-1(c)

- **A price is based on APC if:**
  - **Two or more responsible offerors, competing independently, submit priced offers that satisfy the government's requirement and if**
    - Best value source selection, price is a substantial factor
    - There is no finding the price of the otherwise successful offeror is unreasonable
  - **There was a reasonable expectation that two or more independent, responsible offerors would submit priced offers even though only one is received and**
    - The CO can conclude the offer was submitted with the expectation of competition
    - Reasonable determination that proposed price is based on APC and approved at a level above the CO
- **Price analysis demonstrates reasonableness**

Price Analysis Techniques

- **Comparison of proposed prices received in response to the solicitation to:**
  - **Each other (adequate price competition)**
    - FAR preferred technique
  - **Previous prices for same or similar items**
    - FAR preferred technique
  - **Parametric estimating methods**
  - **Published prices (e.g. catalog)**
  - **Independent Government cost estimates**
  - **Prices obtained through market research**
  - **Analysis of pricing information provided by offerors**

Items for Price Evaluation

- **Contract Line Item Numbers (CLINs) Prices**
- **Loaded Labor Rates (e.g. T&M, ID/IQ etc.)**
- **Other Government Costs (OGCs)* (as applicable)**
  - **Government Furnished Property (GFP) – quantify for each offeror**
  - **Financing – calculate cost to treasury**
    - Progress payments
    - Performance based payments
  - **Risk – Calculate for each offeror**
  - **Etc.**
  - ***OGCs shown separately to SSA**

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Cost Evaluation

- **Reasonableness**
  - **FAR requirement – usually established by adequate price competition**
- **Cost Realism**
  - **Required for cost reimbursable type contracts**
  - **May be used for fixed price incentive type contracts**
  - **Required to determine the PC of performance for each offeror**
- **Probable Cost**
  - **The SSA uses PC in the source selection decision process**
  - **PC may differ from proposed cost and should reflect the Government's best estimate of contract cost**

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Cost Evaluation

What may be used to support the cost realism evaluation?

- **Audit Reports**
- **Technical Evaluations/Independent Government Cost Estimate**
- **Forward Pricing Rate Agreements (FPRAs) or Recommendations (FPRRs)**
- **Recent Program History**
- **Wage Determinations**
- **Cost Models**
- **Published cost/price indices**
- **Comparison to analogous efforts**
- **Market Information**

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Cost Evaluation

- **Always evaluate in accordance with Section M**
- **Do not use one offeror's data to adjust another offeror's proposal**
- **Use ENs as the tool to understand discrepancies or obtain clarifications**
- **Don't write in offeror proposals, as offerors may request their proposals be returned after source selection**
- **Remember you are evaluating a proposal; take into account the offeror's unique approach, cost accounting system, etc.**
  - You are not developing an estimate independent of the offeror's proposal
- **Make sure the Mission Capability team's input is adequately documented**
- **Cost Evaluation Will Be Documented in Briefing Charts and the PAR.**
- **Price Competition Memorandum required by AFMC may be incorporated into the PAR**

Contracting Evaluation

EVALUATION

Contracting

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Contracting Evaluation

- Proposal conforms to all Terms and Conditions
  - Brief any exception taken to Terms and Conditions
- Proposal included all required certifications
- Proposal meets all technical requirements
  - Brief any exception taken to Technical Requirements not identified as evaluation factors or subfactors
- Brief any assumptions made by offerors
- Identify any discrepancies in the proposal and whether an EN is required
- If the proposal is not going to be incorporated by reference, determine the need for special clauses or PWS changes to capture strength
- Establish a process on processing ENs—numbering, different color paper for change pages, when to request cost updates, and change pages vs complete revision to technical proposal

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COMPETITIVE RANGE

&

COMPETITIVE RANGE BRIEFING

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Competitive Range

- **Reduction of number of offerors with whom discussions will be held**
- **Each Proposal is rated against all Evaluation Factors**
- **SSA establishes the Competitive Range**
- **Competitive range is comprised of all most highly rated Proposals, unless further reduced for efficiency**
- **Successive Competitive Range determinations possible**

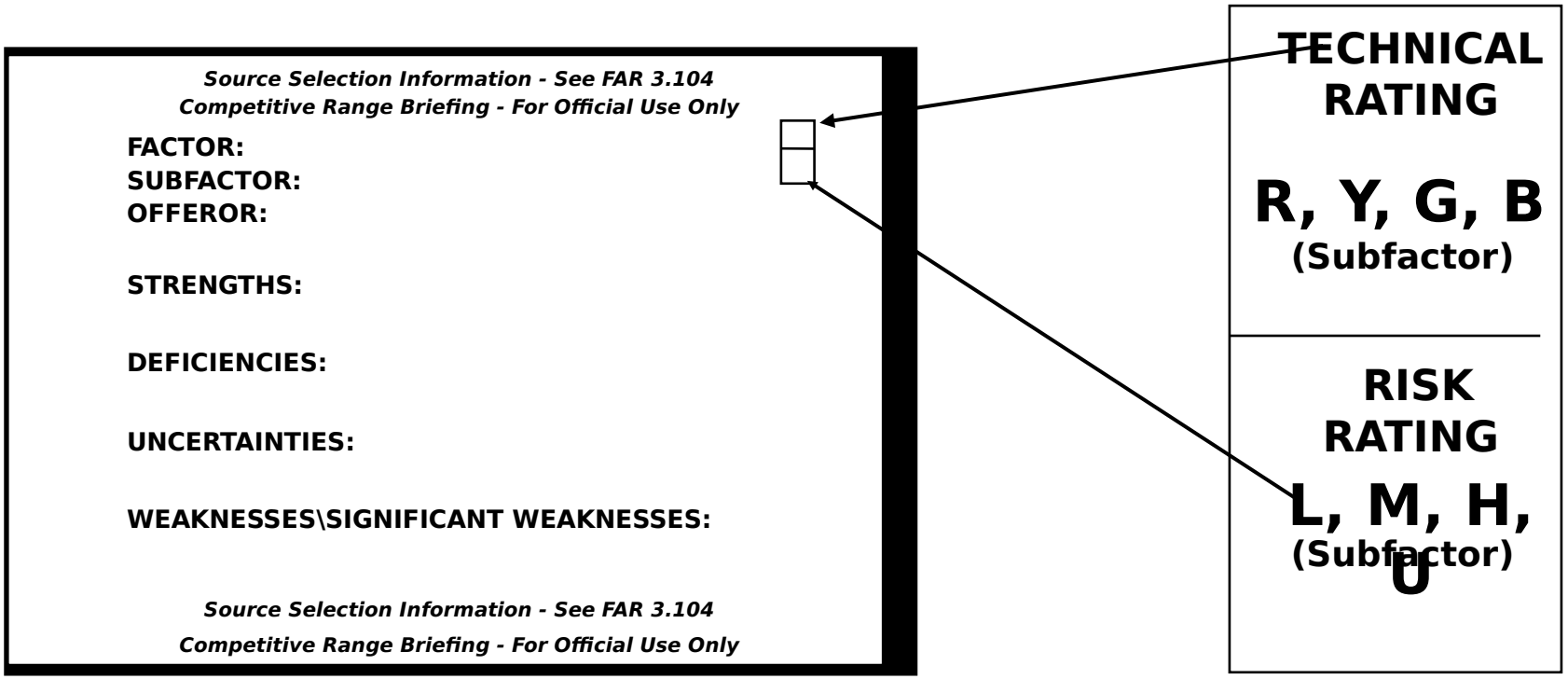
Competitive Range Briefing

- **May recommend elimination of one or more offerors from the Competitive Range**
  - **Must provide detail sufficient to support CO recommendation for SSA approval**
- **SSET presentation of initial evaluation results for all Factors**
  - **Brief all Strengths, Deficiencies, Uncertainties and Weaknesses**
- **SSA approval to enter discussions**
  - **Release ENs**
    - Should be available for review and approval by SSA unless SSA designated CO as approval authority for release of ENs in SSP
- **SSA approval for Award Without Discussions**
  - If awarding without discussions, SSAC chair (SSET chair if no SSAC) will provide a source selection recommendation to the SSA
    - Also provide a minority opinion if there is significant disagreement among the SSAC members
- **SSA approval of Interim Ratings for release to** *Approval of Exceptions for Release*

Structure of Competitive Range Briefing

- Source Selection Organization
- Program Overview
- Schedule Chart
- Offerors including subcontractors
- Definitions
- Basis for Award—Factors/Subfactors and Order of Importance
- Evaluation Matrix Summary-- All Offerors on Chart
- Evaluation by Offeror—Brief evaluation of all Factors/Subfactors including contractual issues before briefing the next offeror

Sample Chart Format (Mission Capability Technical/Risk)



On the following slides, for each FACTOR/SUBFACTOR, the STRENGTHS, DEFICIENCIES and UNCERTAINTIES reported support the TECHNICAL RATING, and the SIGNIFICANT WEAKNESSES AND WEAKNESSES reported support the RISK RATING

Sample Source Selection Briefing Charts

Past Performance

Prime		Sf 1		Sf 2		Sf 3		Sf 4		Sf 5		Sf 6		Cost		
Contract		R	E	NR	N	VR	E	R	E	R	E	R	S	FFP+	$10.1M	VR
Contract		VR	VG	SR	VG	VR	VG	VR	VG	VR	VG	R	E	FFP/IF/AF	$27M	VR
Contract		R	E	NR	N	VR	E	R	E	R	E	R	E	FFP/AF	$19.9M	VR
Contract		R	E	NR	N	VR	E	VR	E	R	VG	R	E	FFP/IF/AF	$23M	VR
Contract		SR	E	R	E	NR	N	R	E	SR	E	R	VG	CPAF/AT	$4.2M	SR
Contract		R	VG	SR	VG	NR	N	NR	N	R	VG	R	E	CPIF	$22M	R
Contract		R	VG	NR	N	R	VG	R	VG	R	S	R	VG	FFP	$2.3M	SR
Contract		R	E	NR	N	VR	E	R	E	R	E	R	S	CPAF	$40M	R
Contract		R	E	SR	E	NR	N	VR	E	R	E	R	S	CPAF & FFP	$17.3M	R
Contract		R	E	SR	E	NR	N	NR	N	R	E	R	S	CPIF	$57M	R
Subcontractor																
Contract		R	E	NR	N	VR	E	R	VG	R	E	NR	N	FFP	$5.4M	VR
Contract		R	VG	NR	N	VR	VG	R	E	R	VG	NR	N	FFP	$9M	VR
Contract		SR	E	NR	N	R	E	R	E	SR	E	NR	N	FFP	$2.5M	VR
Contract		R	VG	SR	S	VR	VG	R	S	R	VG	NR	N	FFP	$2.6M	VR
Contract		SR	E	SR	N	NR	N	NR	N	NR	N	NR	N	FFP	$2.6M	VR
Subcontractor																
Contract		NR	N	SR	E	NR	N	NR	N	NR	N	NR	N	FFP	$130K	SR
Contract		NR	N	SR	E	NR	N	NR	N	NR	N	NR	N	FFP	$313K	SR
Contract		NR	N	SR	E	NR	N	NR	N	NR	N	NR	N	FFP	$66K	SR

VR=Very Relevant	E=Exceptional
R=Relevant	VG=Very Good
SR=Somewhat Relevant	S=Satisfactory
NR=Not Relevant	M=Marginal
N=Not Applicable	U=Unsatisfactory

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ADDITIONAL EVALUATION ACTIVITIES

Release of Interim Ratings

Discussion with Offerors

Clearance

Request for Final Proposal Revision (FPR)

Final Proposal Evaluation

Release of Interim Ratings

- **SSET Shall Release Interim Ratings to Offeror**
  - **MP5315.3, Para 5.6.5**
    - Adverse Past Performance
    - Strengths
    - Deficiencies
    - Uncertainties
    - Weaknesses and Significant Weaknesses
  - **Same Offeror's Rating Charts Briefed to SSA**
    - Mission Capability, Cost/Price Risk (if applicable), and Past Performance Ratings
- **CO Releases ENs**
- **Recommend SSET hold face-to-face meeting with offeror to make sure the ENs are understood before issuance of signed ENs**

ENSURE COMPLETE UNDERSTANDING OF EVALUATION

Source Selection Process During Discussion Phase

- **Discussions must be conducted with each offeror in the Competitive Range**
  - **Issue ENs**
  - **Receive Response to ENs From Offeror**
  - **Evaluate Response**
  - **Follow Up May be Face to Face Discussions or ENs**
  - **Evaluate Responses Received**

Discussions Cost/Price Risk

- The SSET through the CO will indicate to, or discuss with, each offeror in the competitive range (1) differences between the offeror's proposed costs/prices and the government's MPC and (2) uncertainty analysis methods and results
  - Goal is to understand these differences to the maximum extent possible

- The SSET will conduct these discussions promptly so that each offeror has time to understand the cost/price differences and adjust their costs/prices accordingly prior to or with their Final Proposal Revision

- The SSET will assign a Cost/Price Risk Rating for each offeror

Applicable to ACAT Programs entering SDD using a cost reimbursement or fixed price incentive contract

Clearance Pre-FPR Briefing

- **Contract Officer shall obtain contract clearance from Clearance Approval Authority before the SSA approves release of the Request for Final Proposal Revision (MP5315.3, Paragraph 5.6.6)**
- **SSA is NOT the Clearance Approval Authority**
- **Obtain SSA's authorization for release of Request for Final Proposal Revisions**
- **Review of contract documentation including performance metrics**
  - **AFPEO/CM PEO must make performance based decision prior to FPR release for services over $100M**

Request for Final Proposal Revision

- Issued at conclusion of discussions
- Updated ratings shall be disclosed to offerors prior to request for FPR
- Issued to all offerors in Competitive Range
  - May release & explain/discuss draft to ensure understanding of
    all issues
- Establishes common cut-off date
- Proposal revisions form baseline for Final Evaluation
  - Technical Baseline
  - Terms and Conditions
  - Business Arrangement
- Gives offeror opportunity to submit a Final Proposal Revision

All Changes Should be Traceable to Original Proposal

Final Proposal Evaluation

- **SSET must evaluate Final Proposal Revision to Mission Capability Technical and Risk Ratings, Past Performance and Cost/Price including Cost/Price Risk if applicable**
  - **Document Evaluation**
  - **Reassess ratings including Strengths, Deficiencies, and Weaknesses**
- **If an SSAC is used, the SSAC shall, with assistance of SSET chairperson, provide the comparative analysis of offers when the SSA assigns the responsibility for preparing that analysis to the SSAC**

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FINAL DECISION BRIEFING

Content and Details

Decision Briefing

- **Briefing to SSA/SSAC must include the following:**
  - **Include all the up front charts from the Competitive Range Briefing**
  - **Color Ratings for Mission Capability Technical Rating for each Subfactors**
  - **Mission Capability Risk Rating for each Subfactor**
  - **Past Performance Rating**
  - **Cost/Price**
  - **Cost Risk Rating if applicable**
  - **Contracting considerations and any exception to T&C's**
  - **Summary chart covering all remaining offeror's ratings**
- **Only Final Ratings shown**
- **Sufficiently detailed narrative descriptions of each offeror's Strengths, Deficiencies, Weaknesses, and Past Performance**
- **SSAC (if used) or SSET makes a source selection recommendation**
- **Summary Chart**

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DOCUMENTATION REQUIREMENTS

Proposal Analysis Report (PAR)

Source Selection Decision Document (SSDD)

Required Source Selection Documentation

- **Source Selection Plan and revisions**
- **Draft Request for Proposal**
  - **Comments received and Government responses to comments**
- **Request for Proposal, any amendments including Final Proposal Revision request**
- **Proposals received including all revisions**
- **Evaluation worksheets and summaries**
  - **Mission Capability Technical &Risk**
    - Subfactor Worksheets
    - Subfactor Summaries
  - **Past Performance**
    - PCAG must document results of their assessment by listing all contracts that were relied upon, description of the relevancy of the contracts, with positive and negative aspects associated with performance under each
  - **Cost/Price**
    - Cost team must document their evaluation of each proposal

Required Source Selection Documentation

- **Competitive Range Determination**
  - Competitive Range Briefing Information/Charts supporting the CO's recommendation
  - Include any documentation approving release of ENs or entering discussions
- **Evaluation Notices and responses**
- **Clearance Documentation in addition to the**
  - Determination to award without discussions or
  - Final proposal revision request approval
- **Briefing to SSA/SSAC prior to requesting FPR if required by SSA**
- **Decision Briefing**
- **Proposal Analysis Report (PAR)**
- **Simplified Source Selection Report <$10M**
- **Source Selection Decision Document (SSDD)**
- **Source Selection Debriefing Documentations**

Records Retention

AFFARS MP5315.3, para 4.2.2.3

- **Maintain source selection evaluation records**
  - **Once presented to SSA in any form, that evaluative material and any related supporting evaluative material becomes an official record that must be maintained and must not be altered.**
  - **Can update, revise, or change that evaluation information in subsequent documentation, *but the original record must remain distinct***
  - **Prior to presentation to the SSA, evaluative materials are "working papers" and may be changed/modified by their author as necessary**

Proposal Analysis Report (PAR)

- **Part I – Introduction**
  - Acquisition background including requirements description
  - List of offerors (to include Competitive Range if appropriate)
  - Evaluation Factors/Subfactors
- **Part II – Description of Proposals**
  - Focus on unique characteristics of each Proposal
  - No judgments, comparisons, Ratings
- **Part III – Evaluation Results**
  - Results of evaluation of each Proposal against evaluation Factors/Subfactors
  - Strengths, Weaknesses and Deficiencies
- **Part IV – Comparative Analysis of Offerors**
  - Comparison of Proposals by Factors and Subfactors
  - Strengths, Weaknesses and Deficiencies
  - Assessment of Cost or Price, Past Performance, and Cost/Price Risk (if used)
  - Adequate price competition determination
  - Source Selection Recommendation (if applicable, any minority opinion)
- **Part V--Contracting**

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Source Selection Decision Document (SSDD)

- **Provides SSA's Integrated Assessment and Best Value Decision**
- **Must track to Requirements, Evaluation Factors, Decision Briefing and PAR**
- **Compares Proposals by Factors/Subfactors**
- **Must be a stand alone document**
- **Redacted copy will be provided to debriefed offerors**

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DEBRIEFINGS

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Debriefings

- Use same Briefing Charts used for SSA appropriately redacted
- Redacted SSDD to all debriefed offerors
- Reasonable responses to relevant questions
- Do Not Discuss/Present
  - Proprietary information of competing offerors

SUMMARY

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Summary

- **Each Source Selection is unique**
- **Source Selection is a subjective process**
- **The purpose of source selection is to provide best value products and services to the war fighter**

HELPFUL LINKS

Intro To USAF Source Selection

- **Source Selection Key Participants**
  - **http://farsite.hill.af.mil/archive/AFFARS/2006-1003/5315.htm**

Early Acquisition Activities

- **Performance Based Service Contracts**
  - **www.arnet.gov/Library/OFPP/BestPractices/pbsc/home/html**

- **Requirement Documents Development**
  - **https://afkm.wpafb.af.mil/ASPs/docman/DOCMain.asp?Tab=0&FolderID=OO-AQ-PK-S1-10&Filter=OO-AQ-PK-S1**

- **Market Research Guides and Training**
  - **http://www.safaq.hq.af.mil/contracting/tngtool.html**
  - **http://www.dsp..dla.mil/documents/sd-5.html**

Early Acquisition Activities (2)

- **Risk Assessment**
  - https://acc.dau.mil/CommunityBrowser.aspx?id=19366
- **Acquisition Plan**
  - http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/dfars/PGI%20207_1.htm#P28_426
  - http://farsite.hill.af.mil/archive/AFFARS/2006-1003/5307.htm
- **Acquisition Strategy Panel**
  - https://www.safaq.hq.af.mil/mi./organizations_mil/ace_mil/asp.html

Pre-Solicitation Activities

- **Air Force Source Selection Mandatory Procedures 5315.3**
  - **http://farsite.hill.af.mil/VFAFFARA.HTM**

- **Past Performance – PCAG Guidance**
  - **https://www.safaq.hq.af.mil/contracting/affars/5315/informational/IG5315.305(a)(2).doc**

Evaluation Activities and Documentation

- **Cost/Price Evaluation – Contract Price Reference**
  - **http://www.acq.osd.mil/dpap/contractpricing/chap-index.htm**
- **Proposal Analysis Report**
  - **http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/af_afmc/affars/IG5315.305.htm**
- **Source Selection Decision Document**
  - **https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/polvault/guides/ssddguide_nov04.doc**